

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 20 (legislative day of April 20), 1922.*

## POSTMASTERS.

## HAWAII.

Arcenio H. Silva, jr., Kahului.  
Antone F. Costa, Wailuku.

## KANSAS.

Hiram A. Gilmore, Howard.  
Clarence W. Sharp, Virgil.  
John H. O'Connor, Winfield.

## MICHIGAN.

Holger F. Peterson, Grayling.

## NEW YORK.

Ruth M. Marleau, Big Moose.  
Jay E. Davis, Deansboro.  
Charles H. Betts, Lyons.

## OHIO.

John W. Switzer, Ohio City.

## WEST VIRGINIA.

Katherine E. Ruttencutter, Parkersburg.  
Flavius E. Strickling, West Union.

## SENATE.

FRIDAY, July 21, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

## THE EIGHTEENTH AMENDMENT—RESPECT FOR LAW.

Mr. JONES of Washington, Mr. President, the thirty-seventh annual session of the National Editorial Association was held in Missoula, Mont., on Wednesday, July 19, 1922. Mr. J. C. Brimblecom, editor of the Newton Graphic, of Newton, Mass., is the acting president of the association. In his address to the association he uttered a sentiment that should meet with a hearty response in the heart of every man who loves his country. He urged a course of action that should be followed not only by every editor in the country but by every patriotic American. He uttered a sentiment which could well be the motto to be read by every American at the beginning of each day's work. I ask that the paragraph which I have marked may be read by the Secretary.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

## LAWS MUST BE SUPPORTED.

The newspapers of this country, particularly the newspapers which go into the homes of our people, have a great opportunity at the present time to give substantial aid to the cause of law and order by refusing to publish any of the so-called jokes and sneers on the eighteenth amendment to the Constitution of the United States. No matter what you or I may say or think as individuals of the merits or demerits of prohibition, we must never forget that it is the fundamental law of the land and is entitled to as much respect as the laws against murder, theft, or treason.

For if you and I claim the privilege of violating with impunity the law regarding intoxicating liquors, we must admit the rights of others to violate any or all other laws regarding which they may have similar opinions. Such a condition spells anarchy, nothing less. There must be no discrimination in the enforcement of law, and every published joke or sneer regarding prohibition adds just so much to the general unrest which is altogether too prevalent in this country.

The police strike in Boston in 1919, the terrible outrages which took place last month in Herrin, Ill., and other exhibitions of the mob spirit in other parts of the country show how woefully thin is the shell of our civilization and clearly indicate the path of duty of every editor to his constituency as well as to his country. Massachusetts coined the phrase "No taxation without representation," and thereby pointed the way to national independence, and Massachusetts 150 years later gave to the country the slogan of "Law and order," on the support of which depends our national existence. Let us see to it that we editors do our full duty in upholding that slogan in our respective communities.

## REIMBURSEMENT TO SACRAMENTO, CALIF.

Mr. JOHNSON. Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 9048) to authorize the California Débris Commission to reimburse the city of Sacramento, Calif., for money expended by said city in the construction of the Sacramento Weir. There is no opposition to the bill. Its passage is recommended by the Committee on Claims. The bill reimburses the city of Sacramento, out of moneys appropriated for flood control in the Sacramento River project, for moneys expended by the city under that

flood-control project at the suggestion and request of the United States engineers.

Mr. ROBINSON. I think the measure should be taken up and disposed of. So far as I am concerned, there is no objection to its present consideration.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

*Be it enacted, etc.,* That from funds appropriated and contributed for the control of floods on the Sacramento River in pursuance of the flood control act, approved March 1, 1917, the California Débris Commission is hereby authorized to pay to the city of Sacramento, Calif., the sum of \$161,557.08, as equitable reimbursement of money expended by the said city in the construction of the weir at the head of the Sacramento by-pass leading into the Yolo by-pass, such structure being an essential part of the project adopted by the aforesaid act as set forth in House Document No. 81, Sixty-second Congress, first session, as modified by the report of said commission submitted February 8, 1913, approved by the Chief of Engineers of the United States Army and the Board of Engineers for Rivers and Harbors, and printed in Rivers and Harbors Committee Document No. 5, Sixty-third Congress, first session, in so far as said plan provides for the rectification and enlargement of river channels and the construction of weirs.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## ARCTIC FLIGHT ROUTES.

Mr. ROBINSON. Mr. President, I ask leave to have printed in the Record a statement by Mr. Edwin Fairfax Naulty concerning the strategical importance to the United States of Arctic flight routes. The statement is of great historical value and, I believe, it is reliable. I ask that it may be printed in the regular Record type.

There being no objection, the statement was ordered to be printed in the Record in 8-point type, as follows:

## STRATEGICAL IMPORTANCE OF ARCTIC FLIGHT ROUTES TO THE UNITED STATES.

WASHINGTON, D. C., July 17, 1922.

HON. JOSEPH TAYLOR ROBINSON,

United States Senate, Washington, D. C.:

A press dispatch from Ottawa, Canada, dated July 13, 1922, and printed in the New York Times and other newspapers on July 14, reads:

## CANADA TO OCCUPY ISLANDS—EXPEDITION WILL ESTABLISH TITLE TO TERRITORY OPPOSITE GREENLAND.

"OTTAWA, July 13.—A Government expedition will sail soon on the steamer *Arctic* for northern waters, to occupy islands north of Labrador and facing Greenland, across Davis Straits, thereby to set at rest all doubt concerning Canada's title to them.

"The expedition, to be commanded by J. D. Craig, International Boundary Commission engineer of the interior department [of Canada], will remain away until fall."

To understand the strategical importance of this action on the part of the Canadian authorities, another press dispatch, which I incorporated in my letter to you of July 4, 1922, which was printed in the CONGRESSIONAL RECORD of July 6, 1922, should be recalled. This dispatch, also from Ottawa, under date of May 13, 1922, read:

## CLAIMS WRANGELL ISLAND—PLANS TO OCCUPY LAND DESPITE AMERICAN PRIORITY.

"OTTAWA, ONTARIO, May 13, 1922.—The Canadian Government maintains that Wrangell Island is part of Canadian territory; the Canadian flag now flies over Wrangell Island, and an expedition is being prepared to go up there. This is the declaration of the Prime Minister, W. Mackenzie King, when the House of Commons last night voted \$15,000 for patrol of the northern waters of Canada.

"C. P. Graham, Minister of Defense, said the amount was necessary to publish the report of the Stefansson expedition. Hugh Guthrie, former Minister of Militia, said there was no doubt that the United States would make claims to Wrangell Island on the ground of previous discovery."

The Stefansson expedition referred to is the party of three Americans and one Canadian who were sent in by Stefansson on the American vessel *Silver Wave* from Nome in September, 1921, a full account of which, at your request, was printed in the CONGRESSIONAL RECORD of March 22, 1922. And this is the same Stefansson whose views of the dignity of the United States Senate are set forth in a paragraph, printed under the heading "They're Human," by William Atherton Dupuy, in the Washington Times of March 11, 1922, which read:

"Vihjalmur Stefansson, the Arctic explorer, was down in Washington not long ago, and got talking with former Senator Joseph Bailey, of Texas.

"'Are you considering any further trips to the north?' Mr. Bailey asked.

"'Yes,' said the explorer. 'I am laying plans for a five-year drift into the Arctic.'

"What I can't understand," said Bailey, "is the mental viewpoint that would cause a man to give five years of his life to that sort of thing; that would cause him to be satisfied out there in the solitudes of the unchanging snow wastes, with never a contact more thrilling than an occasional meeting with a dumb and ignorant Esquimo."

"Well," replied the explorer, "one goes to the United States Senate for six years."

This from the man who boasted that he had deceived the Americans in his *Silver Wave* party as to the objects of the Wrangell Island expedition, which Stefansson said was under the auspices of a limited liability corporation organized by him under the laws of British Columbia and called the Stefansson Exploration & Development Co., with offices in the Foncier Building, Vancouver.

#### STEFANSSON'S USE OF AMERICANS.

Referring to the Americans in the *Silver Wave* party, Stefansson is reported in the New York Times of March 20, 1922, to have said, "I took into my confidence (on the objects of the expedition) only one man. His name is A. J. Taylor, a mining engineer of Vancouver. The best men I had to go north were American citizens, but I, being a British subject and desiring to have this a British enterprise, I had to take some Britisher into my confidence. I decided on Taylor, and the latter, acting for me, incorporated under the laws of British Columbia a limited liability corporation called the Stefansson Exploration & Development Co. This company employed the following four men: Allan Crawford, son of Professor Crawford, of Toronto University, who was to be in nominal command, and then along with him two of my very best men, Lorne Knight, of McMinnville, Oreg., with me four years in the north, and Fred Maurer, of New Philadelphia, Ohio, who had been with me in the north and was a member of the party that occupied Wrangell Island in 1914. I also sent a boy, Milton Galle, of New Braunfels, Tex., who had been with me on a lecture tour.

"These men, without knowing what they were up to, except that I had confided to a certain extent in Crawford, went by steamer from Seattle to Nome, where I had chartered for them the auxiliary sloop *Silver Wave*. The sloop was under the command of Capt. John Hammer."

#### BARTLETT MADE NO CLAIM TO WRANGELL.

Later, asked where he had got the money for this enterprise, Stefansson said that he had furnished it from the proceeds of his lecture tours and sale of his books. At this time Stefansson was lecturing in the United States, and he used the American ports of Seattle and Nome for his venture.

Stefansson speaks of the "occupancy of Wrangell Island in 1914," but Capt. Robert Bartlett, who commanded the *Roosevelt* for Admiral Peary in his north polar voyages and who was also in command of the *Karluk*, the ship used by Stefansson in 1913-14, in his book, "The Last Voyage of the *Karluk*," tells a different story. In Chapter XVIII, dealing with the arrival of the *Karluk* party on Wrangell Island, after the *Karluk* sank, north of it, Bartlett, straightforward seaman that he is, writes: "The geographical names on Wrangell Island are derived from the names of the officers of the U. S. S. *Rodgers*, who explored the island in 1881." Bartlett makes no mention of any attempt to take Wrangell Island for Great Britain or Canada, but in this same chapter indicates just what was in his mind merely to make his way across Wrangell Island and reach Siberia, in these words: "For the plan I had been evolving to make my way across Long Strait (which separates Wrangell Island from Siberia) to the coast of Siberia and seeking an opportunity of getting help for the party here on the island (his distressed shipwrecked party) was now about to be put to the test."

#### BARTLETT'S VIEWS OF "KARLUK" VOYAGE.

Describing the purposes of the *Karluk* expedition, Bartlett writes in the first chapter: "It differed, too, in another aspect from previous Arctic expeditions in that its main objects were essentially practical—in fact, one might say, commercial. It was in two divisions. The northern party, under Stefansson himself, was primarily to investigate the theory so ably advanced by Dr. R. A. Harris, of the United States Coast and Geodetic Survey, that new land—perhaps a new continent—was to be found north of Beaufort Sea, which is that part of the Arctic Ocean immediately to the north of Alaska. (In this statement Bartlett is not quite right, as Beaufort Sea is the bight of the Arctic Ocean running from Demareation Point southerly and easterly to Banks Strait, which divides Baring, or Banks Land, from the Barry Islands, the waters north of Alaska being the true Arctic Ocean as far as the one hundred and forty-first meridian dividing Alaska and Canada, and so

shown, named, and located in the United States Hydrographic Chart of Arctic Explorations issued under Capt. Charles D. Sigsbee in 1896, in the Leslie Fairfax Nauty polar chart of 1917, the National Geographic Magazine map of the north polar regions of 1907, the Hydrographic Office Arctic chart of 1913, the United States Geological Survey map of North America of 1912, the Danish Arctic ice charts since publication, the polar map in the Encyclopædia Britannica. British charts issued by the London Times and by Stanford, of London, place the name of Beaufort Sea higher and level with Banks Land, but east of the one hundred and forty-first meridian.)

Bartlett continues: "The main work of the party aboard the *Karluk*—to quote Stefansson—was to be the exploration of the region lying west of the Parry Islands and especially that portion lying west and northwest from Prince Patrick Island (50° of longitude east of Wrangell Island). The *Karluk* was to sail approximately along the one hundred and forty-first meridian until her progress was interfered with by ice or by the discovery of land. If land were discovered (note that the *Karluk* was to sail along the Canadian-Alaska boundary meridian and to work to the eastward or Canadian side of this meridian) a base was to be established on it, but if the obstruction turned out to be ice an effort was to be made to follow the edge eastward with a view for making a base for the first year's work near the southwest corner of Prince Patrick Island, or, failing that, on the west coast of Banks Land."

The farthest east the *Karluk* got was 225 miles east of Point Barrow, where she was beset in the ice, off Lion Reef, and carried westward with the drift and exactly opposite from her planned voyage until, on January 11, 1914, she sank north of Wrangell and Herald Islands. The landing of the *Karluk* party on Wrangell Island was the desperate resort of shipwrecked men.

#### STEFANSSON NOT WITH "KARLUK."

Stefansson was not in the *Karluk* party that made Wrangell Island. Stefansson left the *Karluk* on September 20, 1913; two days later a storm drove the *Karluk* to sea, and Stefansson, with his land party, rushed to Point Barrow, where they stayed until November 8, when they mushed east and met Leffingwell, the American, at Flaxman Island. Stefansson left Leffingwell on December 14 and reached the Anderson southern party, where he spent the winter. On March 22 Stefansson started north from Collinson Point and did not return until after the *Karluk* party had been rescued by the United States Coast Guard cutter *Bear* and landed finally at Esquimault, Vancouver, on October 24, 1914.

#### BARTLETT NEVER "TOOK POSSESSION."

Neither Bartlett nor any of his party took possession of Wrangell Island. Bartlett was a seaman accustomed to obeying orders. His orders did not cover exploration west of the one hundred and forty-first meridian. All his references to Wrangell Island in his book give data of previous American exploration. Although he records leaving a copper tank with a record on the ice at Shipwreck Camp, where the *Karluk* sank, tells of leaving the British ensign flying when his party abandoned Shipwreck Camp, and even made two photographs of the camp with the British ensign flying, photographs that since have been shown as being taken on Wrangell Island, describes in detail all he and his party did on Wrangell Island, and reported to Naval Service, Ottawa, Canada, on his arrival at St. Michaels May 29, 1914, what he had done, Bartlett never mentions "taking possession of Wrangell Island." The men he left on Wrangell Island were taken off by the *King and Winge*, to whose captain Bartlett appealed for help when he was in Nome waiting for the *Bear* to sail north, were transferred to the *Bear* in the Arctic, and told their story, but never a word about "taking possession."

Three of the men had died. The only reference to a flag flying on Wrangell Island is made by Bartlett in these words: "The tent (at Rodgers Harbor) was left standing as it was, but the British flag that had flown so long at half-mast was taken (away) with the rescued men." The flying of the British flag does not mean that it was flown as an act of possession. It is customary for explorers to carry their national flag. Amundsen flew the Norwegian flag over the winter quarters at Gjoahavn, on King William Land, and over his tent "close" to the magnetic pole. Godfred Hansen flew the Norwegian flag at his farthest north, Cape Fridtjof Nansen, and named the coast of Victoria Land, from Collinsons Peninsula to Cape Nansen, after the King of Norway; but Canada would not accept a claim of Norwegian sovereignty because of this, particularly as Victoria Land, except on the west of McClintock Channel, had been previously explored and named by British explorers 60 years before Amundsen or Hansen.

## STEFANSSON NOT SURE OF HIS "GIFT."

On March 20, 1922, following Stefansson's assertion in New York that he had taken possession of Wrangell Island for Great Britain, but indicating that he was not sure of his position by telling the reporter that, "pending instruction from the Government authorities, he did not know whether his country would accept from his hands the gift of Wrangell Island, because of possible international complications," a remarkable statement, viewed from any angle, and particularly when Stefansson was not with the *Karluk* party in 1914 and did not go with the *Silver Wave* party in 1921, and, so far as I can learn, has never set foot on Wrangell Island—an explorer by proxy, as it were. There was sent out of Ottawa and generally printed in the United States the following dispatch:

"CANADA CLAIMS WRANGELL—EXPECTS TO GET LAND ON WHICH STEFANSSON PLANTED FLAG.

"OTTAWA, March 20, 1922.—Wrangell Island, it is believed here, will be added to the Dominion of Canada as a result of the planting of the British flag on that far northern land last September by the Arctic expedition organized by Vilhjalmur Stefansson.

"The announcement made in New York by the explorer to-day gave rise to the assumption here that the island was formally claimed in the name of Great Britain to avoid international complications, with a view of its being eventually transferred to Canada as a part of the Dominion.

"While the probability of any difference arising between Canada and Great Britain over the island is discounted, Government officials believe Canada can claim right of ownership by an eight months' occupation by the survivors of the Canadian Arctic expedition of 1913 after their ship, the *Karluk*, had been lost."

## AN ACT OF SEA CHARITY.

Stefansson, as I have written, was not with the *Karluk*; Bartlett was in command of the *Karluk* until she sank and in command of the survivors, who were rescued by the *Bear* after being taken off Wrangell by the *King and Winge*, not as a part of an exploring plan but as an act of sea charity to distressed mariners. No claim was then made of "possession."

On July 12, 1922, the Canadian prime minister, W. L. Mackenzie King, and the minister of defense, George Perry Graham, arrived in Washington from Ottawa. The object of their visit to the Capital of the United States was announced to be to hold conferences with the President and the Secretary of State in regard to a new arrangement concerning boundaries between the United States and Canada, the fisheries, the armed patrol of the Great Lakes, and other matters. This would seem to be a good time to take up other matters in relation to territorial rights.

## ALASKA AND ALASKANS ARE KEENLY INTERESTED IN WRANGELL ISLAND.

Let me append an article that appeared in the New York Times under date of March 26, 1922. The Mr. Goshaw referred to tried to get into communication with me while he was in Washington in regard to my polar flight plans, but I was away and missed him. The article reads:

OLD GLORY PLANTED IN WRANGELL ISLAND—AMERICAN BANNER UNFURLED WITH BRITISH BY MEMBERS OF STEFANSSON'S PARTY—ARCTIC SKIPPER SEES FLAG—JOHN B. BURNHAM DEFENDS RIGHT OF UNITED STATES TO STRATEGIC TERRITORY.

[New York Times, March 26, 1922.]

"Information showing that the Stars and Stripes were hoisted simultaneously with the British flag upon Wrangell Island by the little expedition that Vilhjalmur Stefansson sent into the far north last September to annex the island for the British has just been received by John B. Burnham, president of the American Game Protective Association, 233 Broadway. Mr. Burnham recently furnished to the State Department much information bearing on the significance of the Stefansson expedition.

"For his association, whose advisory committee includes Maj. Gen. Leonard Wood, Henry Ford, Henry L. Stimson, Dr. Henry van Dyke, and Secretary of War John W. Weeks, Mr. Burnham led an expedition into Siberia last year in quest of a rare specimen of wild sheep. He traveled nearly 25,000 miles before he accomplished his mission. In the course of his journey Mr. Burnham was observant of the importance attached to Siberia as a land for development by the various countries whose subjects gradually were moving in that direction.

"Mr. Burnham places great credence in the report that now comes from Wrangell Island indicating that the three American members of the Stefansson party, not to be outdone by their Canadian leader, unfurled Old Glory when they discovered the

plans of the Canadian, and thus raised the question as to who established the right of possession.

"The story was told to Mr. Burnham by George Goshaw, an Alaskan trader, who stayed here at the Hotel McAlpin for several days last week before returning to his headquarters in Seattle. The reliability of Mr. Goshaw's information is attested, according to Mr. Burnham, because Mr. Goshaw got his facts direct from Capt. John Hamner, in command of the auxiliary sloop—the *Silver Wave*—that landed the Stefansson party on Wrangell Island.

## CAPTAIN HAMNER'S REPORT.

"Captain Hamner, according to the story told by Mr. Goshaw to Mr. Burnham, did not tarry at Wrangell Island when he landed the expedition, because winter soon would have barred his return to home port. Indeed, Captain Hamner set sail almost immediately after the party went ashore. As his ship put to sea the skipper trained his field glasses upon Wrangell Island for a last glimpse.

"It was then that he picked out a bit of color on the horizon. It was the British flag. Another speck of color a short distance away then caught the eye of the Alaskan skipper. It was the flag of the United States.

"Captain Hamner, according to Mr. Goshaw, apparently attached no special significance to the planting of the two flags upon Wrangell Island, for he was not informed of the political nature of the expedition organized and financed by Stefansson. The real meaning of the rival flags was not divined until the story was told to Mr. Burnham, who admits that he is a great admirer and friend of Stefansson, but asserts that he is distinctly out of sympathy with Stefansson's fifth and latest expedition into the Arctic.

"Mr. Burnham resents the claim of British possession advanced by Stefansson, because, he says, the strategic position of Wrangell Island would be used by the British against the United States. He said that if the Japanese had tried to seize the island their act would have furnished a casus belli.

"He further charges that Stefansson has tried to take the island for the Hudson Bay Co., with which the explorer is connected, and that if the British claim to the island is accepted as valid it will cost the United States millions of dollars in trade, because American traders will be shut out, and this in direct contravention of the 'open-door' policy.

## OPPOSES BRITISH POSSESSION.

"Discussing the occupation of Wrangell Island, Mr. Burnham, among other things, said:

"I have read with interest Stefansson's statement in the Times with regard to his seizure of Wrangell Island last summer for Great Britain. I agree with him "that strategically it dominates northeastern Siberia," but this strategy is exercised against the United States and not against Japan, as Stefansson states.

"I spent last summer in northeastern Siberia, and on my return learned that the first action of the Stefansson party which landed on Wrangell Island had been to take possession of the island for Great Britain.

"Later on I learned that the *Lady Kindersley*, the vessel which tends the Hudson Bay post on the Arctic coast of Canada, and which had gone north long before the Stefansson expedition sailed, had on board knockdown houses, intended to be set up on Wrangell Island as a trading post for the Hudson Bay Co.

"Capt. T. P. O'Kelly, the assistant fur commissioner of the Hudson Bay Co., who was on the *Lady Kindersley*, knew that Stefansson was to take possession of the island, and was prepared months in advance to utilize the opportunity to the advantage of a British corporation. Stefansson was disgusted that fear of the ice conditions had caused Captain O'Kelly to abandon the attempt.

"While in Siberia I saw that the Hudson Bay Co. was proceeding energetically to put into effect a far-reaching scheme to control the very valuable trade of northeastern Siberia, including furs, reindeer meat, and other valuable assets. I talked with representatives of the company and learned that they had not only established a number of trading posts but that they also had an understanding with Japan and with the pseudo eastern Siberian government that the Hudson Bay Co. would have the trading privileges of the country, while the Japanese monopolized the mining and fisheries.

## STEFANSSON'S VIEWS ON ALASKA.

"Canada has no nearer foothold than Prince Rupert at the terminus of the Grand Trunk Pacific, with the possible exception of the mouth of the Mackenzie River. When I called this

fact to Stefansson's attention he pointed to the panhandle of Alaska as cutting off access to the ocean and the consequent development of northern British Columbia.

"I told him that there was no parallel between the two cases, and that I would consider it a distinctly unfriendly action if Great Britain or Canada persisted in backing up its claim to an American island. This brought up the question of the title of the United States to the island, and Stefansson made a statement similar to that which has been printed in the Times.

"He overlooked the fact that Captain Gellest, of the Royal Navy, never reached Wrangell Island and made no attempt to take possession of the land. Sovereignty was first asserted by the United States when Captain Hooper, of the United States Revenue Cutter *Corwin*, landed on the island in 1881. The details are given in Captain Hooper's report on the 1881 cruise of the *Corwin* in a Government publication printed the following year. A little later, in the same summer, the U. S. S. *Rodgers* charted the island.

"Stefansson states that in order to retain possession of lands acquired by the right of discovery they must either be occupied permanently or else that sovereignty must be reasserted at intervals of five years. I do not believe that this principle applies to lands difficult of access, and international courtesy has always been influenced by the proximity of such lands to the territorial domain of the claimant.

"There are many large islands north of Canada to which Canada claims title which would fall under neither of the rules given and which are exactly in the same status as Wrangell Island."

#### ARCTIC LANDS ON EAST COAST.

It is interesting to note that Mr. Burnham refers to the status of many large islands north of Canada, which, under Stefansson's idea of continuous occupancy, would now not belong to Canada. Stefansson's "five-year abandonment" idea must have been evolved out of his own consciousness. There is absolutely no warrant for it in diplomatic or political practice or in international law. Denmark had no occupancy nor settlements north of Upernavik prior to 1874, yet her sovereignty over Greenland as far north as Melville Bay was never questioned, to the undiscovered region north of Smith Sound she then laid no claim, nor did she claim rights over Kane Land, Hall Land, Hazen Land, Peary Land, or Melville Land until after the Lansing treaty of 1917, and it is doubtful if that portion of the treaty, being the personal declaration of the Secretary of State and so incorporated in the treaty, is valid.

It is possible that the recent action of Canada in sending an expedition to the islands north of Labrador may have had its genesis in the last paragraph of Mr. Burnham's interview. Whatever its original impetus was it is certain that Canada is now taking action. As the United States has definite claims to part of that northern region, claims never abandoned nor canceled, it may be of interest to see how they came into being.

#### ORIGINAL DISCOVERIES IN ARCTIC REGIONS.

First it is well to recall what lands lie "north of Labrador and facing Greenland across Davis Strait," as the Ottawa dispatch reads. Strictly read this can only refer to the region running 60° north to 70° north, as the waters north of Disco Island are called Baffin Bay. John Davis, an Englishman, following Martin Frobisher, who in 1576 discovered land north of the present Labrador, and who brought the famous "fool's gold" from Meta Incognita in 1585 in the *Sunshine*, of 60 tons, and the *Moonshine*, of 35 tons, sailed up an open waterway lying between the known south Greenland coast and the unknown American coast. Davis made a northing to the Arctic Circle and discovered the strait that bears his name. On a third voyage Davis reached 72° 12' north in 1588, roughly the latitude of Upernavik.

The only lands on the west of Davis Strait facing Greenland are Resolution Island, other small islands, and the lower part of Baffin Land. But as short press dispatches often omit important matter, it is possible that Baffin Land is not meant at all, as there has never been any contest of the title of Great Britain and Canada to Baffin Land. The territory in doubt in the minds of the Canadians is much farther north. Above Davis Strait runs Baffin Bay, ending as a bay at Smith Sound. This was supposed to be merely a bight in Baffin Bay until Elisha Kent Kane, that prince of American explorers, drove the *Advance* through the waters of Smith Sound into Kane Basin and opened up the gateway of the American passage to the Polar Ocean. Following Kane came Hayes, Hall, Greely, Lockwood, Brainard, and Peary, and step by

step, from 1853 to 1909, they carried the American flag northward and formally took possession of the Polar regions for the United States until Peary planted the American flag on the North Pole and took possession of both coasts for the United States.

#### AMERICAN PLAN NAMES IN ARCTIC.

From Cape Chudleigh, or Chidley, the point south of Hudson Strait to Lincoln Sea, the waters dividing Labrador, the Magnetic Archipelago, Ellsmere, Grinnell and Grant Land, on the west from Greenland, Washington Land, Kane Land, Hall Land, and Hazen Land, on the east, are named; toward the north, Davis Strait, Baffin Bay, Smith Sound, Kane Basin, Kennedy Channel, Hall Basin, Robeson Channel, and Lincoln Sea. The first three are names given by English explorers, the last and most northerly five were given by American explorers on discovery. In their order running north the lands north of Labrador are named Frobisher Land, Cumberland, Baffin Land, Eylot Island, Devon Island, Ellsmere Land, Grinnell Land, and Grant Land. Grant Land is the most northerly part of the North American continental mass, with Cape Columbia at 83° north as its apex. South of Smith Sound Canada's title, through Great Britain, is clear, the conflict comes over the lands north of Smith Sound, originally discovered by Americans, and by them, from Kane to Peary, taken possession of for the United States, and to this day bearing distinctively American names.

#### NARES'S TRIBUTE TO HALL.

It is true that the British Nares expedition four years after the American, Hall, had opened up the American passage from Kane Basin to Lincoln Sea, or the true Arctic Ocean, of which Lincoln Sea is a bight, as Beaufort Sea is a bight farther west, pushed the British ship *Alert* up to Floeberg Beach, 14 miles farther north than Hall shoved the *Polaris*, but Nares's own views on the subject are set forth on the bronze tablet that he took out from London to place on Hall's Arctic grave on Polaris Promontory, on which Nares had engraved:

"Sacred to the memory of Capt. C. F. Hall, of the U. S. S. *Polaris*, who sacrificed his life in the advancement of science November 8, 1871. This tablet has been erected by the British Polar expedition of 1875, who, following in his footsteps, have profited by his experience."

On her maps and charts Canada claims as Canadian territory all the lands lying west of Davis Strait, Baffin Bay, and the American passage to the sixtieth meridian east, thence up to the North Pole, thence south along the one hundred and forty-first meridian to Demarkation Point, which separates her Yukon Territory from Alaska. Lately she divided these lands up into territories, to which she gave new names. Canada has a dispute on with the colony of Newfoundland over Labrador. Newfoundland extends her claim of territory to Labrador and to Baffin Land, and it may be that this is the *raison d'être* for the expedition to Davis Strait to be sent out by Canada.

#### FLIGHT ROUTES IN ARCTIC CANADA.

But there is another "reason for being," and that is flight routes across the Arctic. From the head of Cumberland Sound, at the mouth of Davis Strait, to Collinson Gulf, at the southwest of Beaufort Sea, is 1,500 miles, and with any 1922 model seaplane it can be flown in 15 hours, with some in 10 hours. On Cumberland Sound, across Nettiing Lake, Fox Channel, through Frozen Strait—not as bad as its name indicates—or Fury and Hecla Strait, to Committee Bay; thence to Boothia Isthmus and across to Rae Strait and on through Simpson Strait to Franklin Bay, through Dease Strait, Coronation Gulf, Dolphin, and Union Strait to Collinson Gulf and Beaufort Sea in 10 hours, over water or smooth ice all the way, with ample supply stations easily established en route and oil and coal on the route. Or, substitute Hudson Strait to Fox Channel for Cumberland Bay and Nettiing Lake and an easier approach flight route from the Atlantic via Cape Chudleigh is established.

There can be no challenge whatever to Canada's rights to flight route by any nation. It is undoubtedly British all the way. If one says that no thought has been given to that region as a flight route besides myself when I filed my Arctic flight route charts in September, 1921, I recommend the reading of these two dispatches:

"Ice-running plane wrecked. St. Johns, Newfoundland, December 10, 1921. An airplane equipped with ice runners, inaugurating postal service between Newfoundland and Nova Scotia, which left Botwood, Newfoundland, to-day, crashed at Deer Lake, at the headwaters of the Humber River on the west coast, according to a report received here. Major Cotton and Captain Bennett, in charge of the machine, were said to have escaped unhurt."

## FLIGHT AROUND LABRADOR.

A little thing like an airplane crash will not stop the men who stood at Ypres against the might of Germany, so later the following appeared:

"PLANE MAKES ROUND TRIP ST. JOHNS TO LABRADOR.—MAJ. SIDNEY COTTON TAKES FIRST FLIGHT OVER NEW ROUTE WITHOUT ACCIDENT.

"ST. JOHNS, NEWFOUNDLAND, March 12, 1922.—Maj. Sidney Cotton completed to-day the first airplane round trip between this city and the Labrador coast. The return trip of 500 miles, from Cartwright, a Hudson Bay Co. trading post in Sandwich Bay, midway up the Labrador coast, was started this morning, and was made in eight hours. This included half-hour stops at St. Anthony and Botwood, Newfoundland.

"Major Cotton last week flew to Botwood up the east coast of Newfoundland, and the next day carried mails from there to St. Anthony, in the northern peninsula. Thence he flew to Battle Harbor, on the southern coast of Labrador, and on the third day of his flight went to Cartwright."

Five hundred miles' flight in seven hours, deducting stops. In the summer? Not at all. In March, the worst month in the year; around the rim of Labrador. And he tried it first in December. This ought to be answer enough to the doubting Thomases on Arctic flights

## LANDINGS ON ARCTIC ICE.

From Cumberland Sound to the North Pole is about the same in an air line as from Cumberland Sound to Beaufort Sea. To those who pick at trifles I may say I know very well that the coast of Baffin Land is icebound, but the ice is only on the surface, or a bit above it. We fly over it, not mush through it. Surface ice will not stop an airplane. Smooth ice is excellent for take-off or landing. The floe that ties up a surface ship for a year in its icy grip only makes a perfect landing for an airplane, and the greater the pressure ridge—that bane of the surface explorer—the wider the floes that crush together to form it at their edges. Inland hard-packed and iced-up snow, frozen lakes and ponds, and frozen rivers make exceptionally good landing places, even with wheels on the landing gear, and perfect with runners or skis.

## COMMERCIAL VALUE OF FLIGHT ROUTES.

I will not enlarge on the various flight routes across the Arctic above the Arctic Circle further than to again write that there are over 50 routes charted by my son and myself.

Using the delta of the Mackenzie River as a base and being permitted to claim and occupy the American territory of Wrangell Island, Canada, far-sighted and progressive as she has shown herself to be, would have control of all the Siberian trading. I am not a commercial man, but I know that there is more fossil ivory on one island in the Arctic than there is of other ivory in all the world. Airplanes are now built capable of carrying a load of 2 tons. Two tons of ivory would be a valuable cargo. Two tons of Siberian furs, brought from the Siberian coast by airplane via Wrangell Island, could be landed in St. Johns, Montreal, or Quebec easily within four days from the time they were loaded aboard in Siberia.

One has only to look at a chart of the Arctic to see how important Wrangell Island is as a halfway point between the Mackenzie in Canada and Kolyuchin Bay, and the rivers lying between it and Chaun Bay, Chaun Bay itself, the Kolyma Delta, which gives access to the Omalon River, which drains a great plain to the Primorskaya Mountains, and to the Kolyma River, which reaches south to the Tomuskhaya and Alazeiskaya Mountains, the Indigirka, Yana, and Lena Rivers, and the New Siberian Islands. If these names seem odd and of little moment, one may reflect that there is nothing funny about the magnificent sables and other Siberian furs the region produces, nor the vast quantities of fossil ivory to be had for the taking therein.

## WRANGELL ISLAND AS AIR BASE.

If Canada be permitted to occupy Wrangell Island without protest from the United States or the assertion of American rights to Wrangell Island dating back to its first verified landing by Long in 1867, followed by Captain Hooper and Lieutenant Reynolds from the U. S. S. *Corwin*, and Commander Berry and party from the U. S. S. *Rodgers*, both in 1881; the visits of American whalers between Long and the *Karluk* party landing, omitting *Rodgers's* cruise in the U. S. S. *Vincennes* in 1855, as he did not land but cruised in the waters near by, and Canada then follows the method she has in regard to other Arctic possessions, the Canadian Arctic boundary will be extended from the one hundred and forty-first meridian across the north of Alaska to the one hundred and eightieth meridian, thence north to the pole, and down the sixtieth meridian to Grant Land. This would insure the British Empire a series of flight routes from the Atlantic to the Pacific, routes which are now

blocked to the British Empire and Canada by west and north Alaska and the Alaskan panhandle and by east Siberia.

Neither I nor any other American can object to Canada or the British Empire developing the flight routes in the Arctic that lie within their own territory, and it would matter very little to either the British Empire or Canada if we did. But Wrangell Island is not the only land at issue. Grant Land, Grinnell Land, Arthur coast, and the western hinterland of the American passage on the east coast are also at issue. In 1909 the Canadian Government sent Capt. J. E. Bernier, in the steamer *Arctic*, on a voyage to the Parry Islands, which are the most northwesterly of the Arctic Archipelago group, for the "purpose of annexing territory of British possessions as far west as longitude 141°," as Bernier writes in his introduction. Bernier cruised up Davis Strait, Baffin Bay, Melville Bay, Lancaster Sound, Barrow Strait, Melville Sound to McClure Strait, formally annexed Melville Island, Banks Island, Victoria Island, and placed a cross on Northeast Hill, Winter Harbor, Melville Land, to "commemorate the annexing of the Arctic Archipelago to Canada."

## KELLETT AND WRANGELL ISLAND.

Great Britain had a short time before released to Canada all her claims to the Arctic Archipelago, and this and previous acts of physical annexation were to claim the lands for Canada, not Great Britain. At that time Canada had no plan about Wrangell Island; Bernier was to work only to the one hundred and forty-first meridian, and it is interesting to note that in writing of Capt. Henry Kellett, who, it is claimed now, saw but did not land on Wrangell Island in 1849, Bernier merely writes, "Capt. Henry Kellett had made a voyage to Bering Strait previous to his joining the expedition of Commander Belcher—searching for Franklin—and had met McClure in the Arctic Ocean on his way sailing northeast. Kellett reached Herald Island in Bering Strait (sic) and returned with his ship to the Pacific Ocean and around Cape Horn, successfully reaching England." Kellett reached England in 1850.

## BRITISH ARCTIC CHART OF 1852.

In Bernier's book is reproduced the chart printed two years after Kellett's return to England. It is entitled "Correspondence—Arctic Expeditions, No. 82. Ordered by the House of Commons to be printed, December, 1852." The chart was prepared by Day & Son, lithographers to the Queen, and printed by Henry Hansard. This chart is most important in the discussion of the original discovery and claiming of Wrangell Island. It covers the region from 63° north to 74° north and from 152° west to 174° west; shows the Siberian shore from Emma Harbor around East Cape, past Cape Serdzekamen, to the east shore of Kolyuchin Bay; shows the Alaskan coast—Alaska was then Russian territory—from the mouth of the Yukon around Norton Sound, with St. Lawrence Island to the west, Cape Prince of Wales, Bering Strait, the Diomedes, and Fairway Rock, Kotzebue Sound north to Hope Point, around Cape Lisbourne, thence northwest to Icy Cape, Blossom Shoals, Seahorse Island to Point Barrow, and around Barrow to Smith Bay. Soundings are given offshore and the course of the *Herald*, Captain Kellett's ship, is shown by her soundings as far as Herald Shoal, where 8 fathoms are recorded at 171° west longitude and 70° 30' north latitude.

## WRANGELL ISLAND NOT SHOWN.

Wrangell Island is not shown on this English chart of December, 1852, two years after Kellett's return. The sounding farthest west that is shown is 29 fathoms at 60° 28' N. and 175° W. The easterly point of Wrangell Island, looking toward Alaska, is 177° W. Taking the facts as shown by this chart the farthest west made in that latitude by Kellett, or any of the expeditions of that time, was, as degrees run in that northing, 94.40 statute miles from the most easterly point of Wrangell Island. The famous Capt. James Cook, the great English explorer, made North Cape, Siberia, in 1778, but did not see Wrangell Island, although Cook's distance was about the same as Kellett's from Wrangell Island. Kellett could not have seen Wrangell Island, even from his masthead, with his ship at his last-shown sounding. He could have seen a mirage of Wrangell Island, and this is perhaps what he did see; but he did not land on Wrangell Island nor did he claim it for England. Had the British Admiralty been satisfied that Wrangell Island, or even Herald Island, had been seen by Kellett, they would have incorporated such lands in the chart of December 20, 1852, when Arctic interest was at its height over the search for Franklin. This chart is very complete, such details as the "Vein of coal" near Cape Beaufort, Alaska, Deviation Peak, northeast of Hotham Inlet, and complete shore soundings are shown, yet Wrangell Island is not shown. Lieutenant De Haven and Surgeon Kane, of the United

States Navy, saw the first Grinnell land at the head of Wellington Channel and named it after the patron of the voyage. But they did not land. A year later Captain Omanney, of Belcher's squadron, landed on Grinnell land and claimed it for England. There was much discussion over this act at the time, but the United States officially ignored De Haven's "sight" and accepted Omanney's "landing"—or at least the matter has never been brought to issue officially.

#### AMERICAN RIGHTS IN ARCTIC REGION.

As the question of territorial rights to Arctic air bases is one that will be much discussed in the next few years, and as other Arctic islands besides Wrangell are involved, permit me to digress here to cite the following:

(From Admiral Robert E. Peary's "The North Pole," page 297.)

90 N. LATITUDE, NORTH POLE, April 6, 1909.

I have to-day hoisted the national ensign of the United States of America at this place, which my observations indicate to be the North Pole axis of the earth, and have taken possession of the entire region and adjacent for and in the name of the President of the United States of America.

I leave this record and the United States flag in possession.

ROBERT E. PEARY,  
United States Navy.

Writing of this flag, on pages 294-295 of "The North Pole," Peary sets forth:

"We planted five flags at the top of the world. The first one was a silk American flag which Mrs. Peary gave me 15 years ago. That flag has done more traveling in high latitudes than any other ever made. I carried it wrapped about my body on every one of my expeditions northward after it came into my possession, and I left a fragment of it at each of my successive 'farthest norths'—Cape Morris K. Jesup, the northernmost point of land in the known world; Cape Thomas Hubbard, the northernmost known point of Jesup Land, west of Grant Land; Cape Columbia, the northernmost point of North American lands; and my farthest north in 1906, latitude 87° 6', in the ice of the Polar Sea. A broad diagonal section of this ensign would now mark the farthest goal of earth."

This was in addition to the United States flag planted by Peary as the symbol of possession.

Chart No. 2142, issued by the United States Navy Hydrographic Office, bears a cut made from a photograph taken on the spot, Peary displaying the American flag on a cairn at Cape Morris K. Jesup, Peary Land, north of Greenland, at latitude 83° 39' north.

#### CANCELLATION OF A PEARY CHART.

Strong political influence was brought to bear on the Hydrographic Office to withdraw this chart, and it did. This is the chart that shows that Peary Channel divides Peary Land and Hazen Land from Greenland, and I am sure this was the reason for the pressure brought to bear to cause its cancellation. It is easy to see why Denmark would prefer that Peary Channel had no existence, as it makes new land and separate land of the region north of Greenland, making this region distinct from Greenland—as Robeson Channel separates Hall Land from Grant Land.

On May 13, 1882, Lieutenant Lockwood and Sergeant (now Brigadier General) Brainard reached Lockwood Island, off Hazen Land, from which they saw and named Cape Washington, at 83° 24' north, 42° 45' west, where they planted the American flag and took official possession of the region in the name of the United States. In the committee room of the House Committee on Appropriations in the Capitol at Washington hangs a large painting done by Albert Operti, in 1886, which shows Lockwood and Brainard making an observation. The American flag is flying from their tent.

Nares Land, south of Nordenskiöld Inlet, was not so named by the English party but by the Americans, Lockwood and Brainard, out of compliment to Nares. Lieutenant Beaumont, who headed the northeast party from Nares's *Alert*, did not get farther north than near Cape May, which had been previously explored by the American party under Hall in 1871.

#### WORK OF HALL AND KANE.

In 1870-71, on the east coast of Robeson Channel and Hall Basin, Hall, the American, and the members of his party took possession of Hall Land from Cape Bryant, 82° 20' north and 55° west, to Cape Constitution, on Kennedy Channel, at 80° 35' north, 67° west, for the United States.

Kane, in 1853-1855, from his base in the *Advance*, in Van Rensselaer Harbor, in Kane Basin, which he was the first to penetrate, discovered, explored, and took possession for the United States of the region lying on both sides of Kane Basin

and Kennedy Channel. William Morton, of the Kane party, made Cape Constitution and saw Mount Ross, across Kennedy Channel, sledding along the east coast, while Hayes, on the Grinnell Land side, worked as far north as Cape Frazier at 79° 43' north, and sighted land beyond that, planted the American flag there, and took possession of the land 21 years before Nares.

Thus, by the work of American explorers, from Kane to Peary, the entire region abutting on the American Passage was originally discovered and taken possession of for the United States from 78° 30' north and 71° west to Cape Henry Parish at 82° 40' north and 23° west, roughly 900 miles of coast on the east, and to Cape Columbia on the north, roughly 700 miles of coast.

Hayes followed up his work with Kane by an expedition in the *United States*, during which he explored Grinnell Land farther. Greely followed Hayes, and his men, Lockwood and Brainard, worked west on Grinnell and Grant Land to Greely Fiord, reaching 80° 48' north and 78° 26' west. Their journey, with Greely's trip to Mount Chester A. Arthur in 1882, opened up 6,000 square miles of unknown land, all of which was officially taken possession of for the United States. Later Schley Land, west of Hayes Sound, was added to this territory.

#### PEARY'S ARCTIC EXPEDITIONS.

In 1886 Peary began his work in the Arctic with a rush inland over the Greenland ice north of Disco. In 1892 Peary, crossing the inland ice, made Independence Bay and climbed Navy Cliff, 4,000 feet high, at 81° 37' N., 34° W. Further explorations were made by him in 1893, 1894, and 1895. On May 8, 1900, Peary rounded Capes Washington, Jesup, and Bridge-men, and reached Cape Henry Parish. As he opened up each new stretch of territory Peary took possession of it for the United States. He did the same on his trips around Grinnell and Grant Land, reaching Cape Thomas Hubbard, the most northerly point on what he had previously named Jesup Land, now known as Axel Heiberg Land.

Not one of these explorers was timid about his right to take possession of the lands discovered. Their announcements are forthright and direct, and their acts were definite and for a definite purpose.

To Denmark's territorial rights south of Melville Bay there can not be question, though prior to 1874 Denmark had no settlements north of Upernavik. But to the territory extending along the west coast of the American Passage and around to Independence Bay the United States to-day has a valid claim, and this despite the declaration of Secretary Lansing in the treaty of cession of the Danish West India Islands of 1917.

#### CANADA'S RIGHTS IN ARCTIC.

To the territory running north from Cape Chidley, Ungava, north of Labrador to Cape Isabella, Ellsmere Land, Great Britain's rights, transferred by her to Canada, are absolute. Nor can there be any question about the islands running west from Ellsmere Land to Prince Patrick Island and thence south to Banks Island and Victoria Island. Too many brave Englishmen perished in the work of exploration of that region for anyone or any nation to challenge England's rights or Canada's rights through England. Axel Heiberg Land, Elluf Ringes Land, and Amund Ringes Land, by right of discovery, might be disputed by Norway. Amundsen's "Northwest Passage" in the Gjoa yielded no new territory. He sailed through well-charted passages, every square mile of which had been traversed by English explorers and by the Americans Hall and Schwatka, except the short stretch of the east coast of Victoria Island from Cape Collinson to Cape Nansen, covered by Godfred Hansen, but even this had been previously seen by English explorers from McClintock Channel. The Americans De Haven and Kane were on an errand of relief to find Franklin when they saw the First Grinnell Land, and I can find no record of definite possession being taken of it for the United States.

#### ARCTIC RIGHTS OF UNITED STATES.

But to the territory on both sides of the American Passage the United States has a valid claim, a claim admitted by Nares indirectly when he caused the words "In whose footsteps we followed" to be placed on Hall's arctic grave.

The very names of the region, coastal and inland, are American. These northerly lands are of great importance as an easterly outlet from the Arctic. The possession of them by the United States does not interfere with Canada's air exit to the east and the Atlantic. She can make flights via Beaufort Sea, McClure Strait, Melville Sound, Barrow Strait, Lancaster Sound, Baffin Bay, and Davis Strait to the Atlantic. She can fly from Cape Bathurst, at the head of Collinson Gulf, over water or ice, with short land flights, not overmuch for a seaplane, via Dolphin and Union Strait, Coronation Gulf, Dease

Strait, Franklin Gulf, Victoria Strait, James Ross Strait, Gulf of Boothia, Committee Bay across land to Repulse Bay, Roes Welcome, and Hudson Bay, or from Boothia Bay through Fury and Hecla Strait to Fox Channel and Hudson Strait, or from Fox Channel, Nettle Lake, to Cumberland Sound, and thence to the Atlantic.

The only American air exit from Alaska to the North Atlantic on the American side of the Arctic would be from North Alaska to Grant Land, thence to Hazen Land and Peary Land, and to the Greenland Sea.

But on the Asian side, over now known lands, the United States has a flight route via Wrangell Island, Jeannette, Henrietta, and Bennett Islands, Graham Bell Land, and thence to north Europe or the North Atlantic.

#### AMERICAN TITLE TO ARCTIC ISLANDS.

That it may be part of the record let me quote from the works of the discoverers the American title to the De Long Islands.

It may be forgotten that the De Long expedition, in the *Jeannette*, passed to the north of Wrangell Island, which De Long hoped was a point of continental land, and so coasted that side of Wrangell a year before the *Corwin* or *Rodgers* reached Wrangell. The last sight of Wrangell Island by the De Long party was on March 24, 1880.

On May 16, 1881, De Long writes in the log of the *Jeannette*: "Land! \* \* \* I \* \* \* ran up to the foreyard and there, sure enough, I saw a small island one-half point forward of our starboard beam \* \* \* May 20 \* \* \*. Toward midnight a strong appearance of land was seen bearing west by north \* \* \* which I locate in latitude north 76° 47' 28", longitude 159° 20' 45". \* \* \*

"Instructed to name the first island seen Jeannette and the second Henrietta, a party was sent ashore under Melville. De Long writes: 'The party landed on the island on Thursday, June 2, 1881, hoisted our silk flag, took possession of it in the name of the Great Jehovah and the United States of America, and, agreeably to my instructions, named it Henrietta Island \* \* \*'. On June 28 (correct date June 29), 1881, De Long writes describing his landing on Bennett Island: 'I have to announce to you that this island \* \* \* is newly discovered land. I therefore take possession of it in the name of the President of the United States and name it Bennett Island.'"

These three islands, now known as the De Long Islands, lie northeast of the New Siberian Islands. Bituminous coal was found on Bennett Island and burned aboard the *Jeannette*. The islands are Jeannette, 450 miles west of Wrangell Island; Bennett, 600 miles west of Wrangell Island.

Wellman, Baldwin, and Fiala are still alive, and their testimony as to the actual physical act of taking possession for the United States of Graham Bell Land and other lands in the Franz Joseph Archipelago is available from them. There is no doubt that they did.

#### AMERICAN ARCTIC FLIGHT ROUTE.

Excluding consideration of possible land north of Alaska, between it and Peary's "entire region and adjacent" to the pole, a trans-Arctic flight route from Alaska to north Europe is provided for the United States via Wrangell Island, De Long Islands, and Graham Bell Land, with four main stops en route and access to the Siberian coast, Taimir Peninsula, and Nova Zembla on the way. This route is not as short from Bering Sea to Greenland Sea, or from the North Pacific to the North Atlantic, as the transpolar route, but it is over known territory, and has strategical value to the United States. Not being a commercial man, I hesitate to point out its commercial value, but there are plenty of men in Alaska who realize it, and they are not the only ones.

Nor is it within my province to suggest just what action the United States shall take to protect its rights. The State Department exists for that purpose, and is quite capable of functioning when it so wills.

#### NAUTY PLANS USED BY AMUNDSEN.

The importance of the Arctic flight routes is understood by other nationals, as the deliberate appropriation of my polar flight plans and even of my announced route by Amundsen, the Norwegian, indicates. Emboldened by the lack of criticism of his action in this country, due to good-natured indifference and a lack of realization of what is afoot, Amundsen is now attempting to make Point Barrow by surface ship and start a flight across the Arctic from there. An agent of his recently denied that Amundsen intends to take possession of land if he finds it north of Alaska, but a previous statement differs with that.

In an account of Amundsen's plans sent out by International News Service from Seattle on March 11, 1922, and headed

"Plans to drift across North Pole, and journey may take five years—New lands to be claimed for the King of Norway," the statement is made, as printed in the Washington Times of that date: "The voyage of exploration will be made under the flag of the King of Norway. Lands first discovered on the journey will be claimed for Haakon VII, King of Norway, who is helping finance the expedition." This was given out by the same agent who afterwards denied that Amundsen intended to take new-found lands in the American region for Norway.

Amundsen himself was then in Norway, but previous to his departure Amundsen had accepted responsibility for the statements of his agent. The whole idea of appropriating the Fairfax Naulty plans had not been put up to Amundsen then by interests operating in the United States for a German plane and a Bavarian air motor and the plane he now purposes using with its British pilot had not been "given" to Amundsen. That this is so is shown by this part of the article of March 11, which reads: "Should the ice pack carry the *Maud* within flying distance of the North Pole the two airplanes (short-range English airplanes previously referred to) will make a little side trip to the pole."

#### PLANE TO BE USED FOR ESCAPE.

On March 17, 1922, Amundsen sailed from Christiania, Norway, for New York. The dispatch from Christiania said Amundsen planned to leave Seattle on his long expedition into the ice-bound Arctic regions. Another article from Seattle on March 25, inspired by the same agent, announced the purchase by Amundsen of a large metal plane, said that Amundsen might attempt to fly from New York to Seattle (a part of the Fairfax Naulty plans), and concluded by the statement that "The larger plane is to be provided for a dash to the nearest settlement in case of a mishap to the *Maud*."

#### GERMAN PLANE GIVEN AMUNDSEN.

Still there was no announcement of a plan by Amundsen to fly from Point Barrow to the pole and on to North Cape. On March 29, 1922, Amundsen reached New York, and, as announced in an article carried by the Associated Press, the story reads in part:

"Hardly had he landed than he hastened to a conference with John M. Larsen, a governor of the Aeronautical Chamber of Commerce of America. After luncheon came the announcement that the larger of the two planes selected by the explorer would be the all-metal Larsen monoplane. The plane, Captain Amundsen explained, was being supplied by Mr. Larsen at his own expense, and the contribution which the airplane manufacturer would make to the expedition would represent about \$40,000. Amundsen is confident that the monoplane—the eyes of the *Maud*—will be able to do its work well, permitting great sallies to either side of the vessel and sending warnings of ice fields and dangerous currents that should be avoided. Besides the monoplane Amundsen will take an Avro scout plane, a smaller British ship, which will be used only in the vicinity of the *Maud*."

#### RESULTS TO ACCRUE TO NORWAY.

The article continues: "Amundsen plans to leave for Washington in about a week for conferences there with Government officials"—thus attempting to create the thought that the United States Government, as a Government, was interested in his venture. Further on Amundsen is quoted as saying that he "would take 10 men with him when he sets out from Nome to drift to Spitzbergen."

In an article published March 31 in a Washington newspaper Amundsen, who had arrived in Washington, is quoted as saying that "the trip to the polar regions will be made under the Norwegian flag and the direct discovery results will accrue to Norway, it is understood, which is financing the trip in so far as the ship *Maud*, in which the voyage is to be made, is concerned." \* \* \* "The objective will not be the North Pole, although it is possible that this point will be passed by the exploring party."

In the Washington Herald of March 31, 1922, Amundsen is directly quoted as saying, "First of all, we are not making this trip to find the pole but for the purpose of making scientific observations. \* \* \* The first stop will be Nome, Alaska, where we will take on supplies. From there to East Cape, Siberia, where we will be outfitted with fur suits. \* \* \* We will push through the ice as far as we can go, then freeze up and start our long drift to the north. \* \* \* If we succeed in pushing through the ice to latitude 75—Point Barrow is latitude 71-16, or 284 geographical miles south of latitude 75—we should come out in three years. However, if we freeze up and have to start drifting from 72 or 73, say, we will probably be gone five years." Under the subhead "To drift over pole," Amundsen is directly quoted as saying, "We hope to

drift about 2,000 miles across the Polar Sea and to come back to civilization through Spitzbergen and Greenland, thence to Norway and home." The article then reads: "One of the principal objects of the trip, according to Amundsen, is to seek the theoretical continent that the late Doctor Harris believed to exist just eastward (sic) of the pole."

Amundsen attempted a flight across the continent but the plane cracked up in a forced landing at Miola, Pa., and Amundsen took a train to Seattle.

#### ARCTIC DRIFT PLANS OF AMUNDSEN.

Amundsen left Seattle for Nome, not in the *Maud* but in the passenger steamer *Victoria*, and the Associated Press sent out a story from there on June 3, 1922, in which the ice drift on the surface was emphasized. I quote: "The expedition is a resumption of the effort begun by Captain Amundsen in 1918, under auspices of the Norwegian Government, to drift past the North Pole with the ice floes. Captain Amundsen expects to drift past the pole from a point off northeast Siberia to Spitzbergen within five or six years. H. H. Hammer, Seattle, representative of Captain Amundsen, was recently knighted by the King of Norway for his services in connection with the expedition."

#### BRITISH AIR PILOT APPEARS.

At Nome a new man entered the case. In a dispatch from Nome, of June 30, 1922, detailing the send off the good-natured folk of Nome gave Amundsen, Elmer G. Fullerton appears instead of Omdal, the Norwegian flyer, who was previously announced as the polar pilot. The story reads in part: "With the Norwegian explorer (on the *Maud* from Nome) sailed Elmer G. Fullerton, Canadian member of the British Royal Air Force, who will pilot the 185-horsepower Junker monoplane in its flight." This is the first time that the real name of the so-called Larsen plane has appeared in print. The article continues: "Fullerton said, 'Captain Amundsen and I hope to make a nonstop flight across the world to Spitzbergen, taking about 24 hours for the journey. Our monoplane will carry 350 gallons of gas and is equipped with special skis for landing on ice.'"

#### VARIOUS STATEMENTS OF PLANS.

The knighted press agent at Seattle on June 27 got mixed up, as he issued a statement that a cablegram from Captain Amundsen five days before—that is, June 22—stated that Amundsen was leaving Nome for Point Barrow, where he intended to start his air trip over the pole. This article states later, "Captain Amundsen plans to attempt a flight from Point Barrow across the North Pole. His latest plan, according to Mr. Hammer, is to land at Cape Columbia, Grant Land."

Out of Christiania, Norway, on June 26, came this dispatch: "Roald Amundsen, the Norwegian explorer, has changed his plans for his attempt to fly to the North Pole, it was reported here to-day. He now intends to land at Spitzbergen instead of Cape Columbia, as had been planned. A Norwegian air officer is going to Spitzbergen to mark out a suitable landing place."

On June 9 Amundsen had intended to attempt a flight despite his talk about a surface drift, as he sent under his own name a communication to the London Times in which he wrote:

"Should conditions allow me, Omdal and myself will start this summer from Point Barrow, the north point of Alaska, flying across the unknown regions of the Polar basin and cross the North Pole, thence making for Cape Columbia (northern Greenland, sic). A depot for our use has been established there by Capt. Godfred Hansen, who has worked hard and shown great capacity."

I have referred to the Hansen "depot" in my letter of July 4, 1922.

From the first tentative announcement of a plan to use airplanes as "the eyes of his ship," made on October 12, 1921, 12 weeks after the Fairfax Naulty (American) polar flight plans were made fully public, Amundsen and his agent have varied continually in their statements as to the purposes of the expedition. Now they have been joined by interests exploiting a foreign airplane and a pilot said to be now in the British Royal Air Force. This last I doubt. Fullerton may have been during the war in the R. F. C. or the R. A. F. He did pilot a Junker plane from Peace River to Fort Norman last summer, through Canadian territory, carrying the geologist of the Imperial Oil Co. to the oil region at Fort Norman. I would not be surprised to find that he had flown to Wrangell Island to clinch Stefansson's "taking possession" of it.

#### FATE OF AMUNDSEN'S MEN.

That Amundsen had no intention of making a transpolar flight from the *Maud* or from any land point when he started his Arctic voyage in 1918 is certain. He worked his ship with a full crew to Cape Chelyuskin, where he sent two men of the

crew—Knudsen and Tessen—ashore to work back to Norway with his records. The fate of these men is set forth in an Associated Press dispatch from Christiania, Norway, under date of December 30, 1921. The dispatch, as printed in the United States, read:

"ARCTIC MESSAGE TELLS OF TRAGEDY—BEARS DESTROYED DEPOT; ONLY 20 DAYS' FOOD," SAYS LETTER FOUND BY SEARCHERS.

"CHRISTIANIA, NORWAY, December 30, 1921 (by the Associated Press).—'Bears destroyed our depots; we now have 20 days' provisions,' so reads part of a letter dated November 10, 1919, said by the official Rosta agency to have been found at Cape Wild by the Russian expedition under Begitcheff, which has been making a search in the Arctic regions to learn just what happened to Knudsen and Tessen, two members of the Amundsen North Polar expedition, who were lost during the winter of 1919.

"Near Cape Premetny the expedition reports that it discovered the remains of a fire on a beach and of what appeared to be a burnt human body. Footprints of only one man were discovered. One rifle and cartridges of the Norwegian 1914 pattern also were found.

"The Begitcheff expedition was at Cape Wild on July 28 last (1921).

"Several weeks ago a radio dispatch from Moscow told of the finding of the bodies of Knudsen and Tessen. The place where the bodies were found was vaguely described as 'near the mouth of the Jenesej,' which was taken possibly to refer to the Yenisei River, which rises in northwestern Mongolia and flows northward through Siberia, where it empties into the Arctic Ocean.

"An expedition to search for the missing explorers was also sent out some time ago by the State council of Norway, but this party returned last summer without finding trace of Knudsen and Tessen at Cape Wild, where they were supposed to have been."

#### HISTORY OF "MAUD'S" VOYAGE.

For an easterly surface drift across the Arctic ice Amundsen left Norway in the schooner *Maud* in July, 1918. As the London Times of June 9, 1922, wrote, he "carried no airplanes." As Amundsen himself said in 1920 on his arrival at Nome, Alaska, he "regretted that he had no wireless on board." Aircraft were at the height of their war development in July, 1918, and communication by radio was then well established. Yet Amundsen had neither radio equipment nor airplanes on the *Maud*. Amundsen arrived at Nome, Alaska, on July 26, 1920, with the *Maud* and started back again to attempt the surface drift across the Arctic back to Norway. He did not then provide radio nor airplanes, though there were ample supplies of war surplus to be had—and cheap. Nor did he say one word during his stay in Nome in 1920 about a contemplated flight across the Arctic and to the North Pole.

Word was received at Nome from a trading vessel that Amundsen in the *Maud* was caught in the ice again on September 15, 1920, 20 miles off Cape Serdze, Siberia, and 225 miles northeast of Nome. On November 11, 1920, Amundsen sent a dispatch from East Cape, Siberia, to a Copenhagen newspaper which read: "We sailed from Nome City August 8 (1920). The following day we were held up by pack ice in Bering Strait. All aboard well."

#### NO AIRPLANES NOR RADIO ABOARD.

No airplanes aboard, no radio equipment. No announcement of any plans to fly in the Arctic. Amundsen's sole idea, then, was a surface drift back to Norway through the Polar ice.

Nothing was heard from Amundsen until June, 1921. On the 18th of June the following press dispatch was sent out and it was generally printed by newspapers throughout the United States:

#### ROALD AMUNDSEN RESCUED IN THE ARCTIC.

"SAN FRANCISCO, June 18, 1921.—The famous explorer, Capt. Roald Amundsen, lost for months in the Polar ice fields, has been rescued by the fur-trading schooner *Herman*, according to a cable from Nome. The message announced the safe arrival of the schooner (*Herman*, not *Maud*) at Nome with Amundsen on board. Amundsen was forced to desert his ship, the *Maud*, in which he went north from Seattle last summer, and was picked up by the *Herman* after a long overland trip filled with hardship. Amundsen hopes to have the *Maud* towed to Seattle, when ice conditions permit, to be fitted out for another start."

#### SECOND ARRIVAL IN NOME.

Amundsen left Nome for Seattle on the *Victoria*. He was extensively interviewed, both at Nome and at Seattle, when he got there on July 5, 1921. All his talk was then about his surface ice drift, never a word about polar flight. In its account

of his arrival at Nome on June 18 the New York Times, under date of June 19, 1921, printed the following:

AMUNDSEN BACK AT NOME—HIS SHIP DAMAGED—SAYS HE WILL TRY AGAIN TO DRIFT TO THE POLE.

"NOME, ALASKA, June 18, 1921.—Roald Amundsen, the explorer, whose ship, the *Maud*, wintered at Cape Serdze, Siberia, arrived in Nome yesterday and will leave for Seattle on the first steamer, he announced. The *Maud* lost a propeller in the ice during the winter and will be towed to Nome this summer for repairs. The explorer, noted for his discovery of the South Pole and his many Arctic and Antarctic voyages, said he would continue his efforts to reach the North Pole, drifting with the Arctic ice floes, as soon as repairs to his vessel were completed. He spent the winter (of 1920-21) on board the *Maud* with one native and three white companions, and said the party experienced few hardships. He reached Nome on the trading schooner *Herman*, which had picked him up at East Cape, Siberia. With the explorer were the daughter of Charles Carpenter, a Siberian trader, and a Chuchuk (Chuckchi) Esquimo girl, who he will send to school in Norway."

ACCOUNTS IN ALASKAN NEWSPAPERS.

The Alaskan Daily Empire, of Juneau, on June 21, 1921, printed the following:

AMUNDSEN HAS HARD TRIP IN ARCTIC REGIONS—BOTH PROPELLERS OF "MAUD" BREAK—IS RESCUED AND TRANSPORTED TO NOME.

"NOME, June 21 [1921].—Roald Amundsen, the Arctic explorer, who arrived from the Arctic last week, in an interview to-day, said both propellers of his schooner *Maud* were broken. One propeller broke in the Northwest [sic, Northeast Passage meant] Passage in 1919, and the second broke last fall between East Cape and Cape Serdze. Amundsen said the ice is the worst in years, and vessels were locked in for the winter. Amundsen, in May, made his way to East Cape, where he was the guest of Charles Carpendale. Natives on Diomedes Island informed Captain Pedersen, of the schooner *Herman*, of Amundsen's plight, and the latter rescued him and brought him to Nome. Amundsen says he will continue his ice drift as soon as the *Maud* has been repaired, which will be when the craft is towed to Seattle during the summer."

The Alaskan Daily Empire had announced the arrival of Amundsen at Nome for half a stick, and this was what is known as a second-day story. Here was a direct interview with Amundsen, and then was his chance to announce his flight plans if he had them in mind; but his mind was fixed on the drift across the ice and flight was far from his thoughts. Newspapers generally on June 19, 1921, carried a cable dispatch from Christiania, under date of June 18, which set forth that the Storthing had received a telegram from Capt. Roald Amundsen, the Norwegian explorer, requesting that 300,000 kroner be furnished for refitting the explorer's ship, the *Maud*, in order that he might continue his Arctic expedition; that is, his surface drift. Here again was a chance for Amundsen to announce flight plans to the Storthing if he had them, but there is not a word about polar flight from Norway.

AMUNDSEN AT SEATTLE.

On July 5, 1921, Amundsen arrived at Seattle. The Seattle Daily Times, of July 5, 1921, after describing Amundsen's arrival from Nome on the steamer *Victoria*, concludes with an interview with Amundsen, who said, "I am more confident than ever that I will reach the North Pole by drifting with the ice. The *Maud* broke her propeller in the ice last fall [1920] and we were thrown back a year in our venture, but I am not discouraged." Here was another chance for Amundsen, on his arrival, to announce polar-flight plans if he had them, while he had the attention of the world for a moment. A laudatory editorial on Amundsen and his drift work was printed in the Seattle Times, but no mention was made of flight plans. At that time airways across the continent were much in the public mind, and the Seattle Times carried an editorial on airways but never a word about Amundsen's "airway" across the Arctic.

Amundsen dropped out of print until July 17, 1921, when he was featured in a special Sunday story with the Siberian and Eskimo girls at the Seattle Zoo. He was photographed on the bridge of the vessel which was to tow the *Maud* down to Seattle, on July 21, 1921. On August 1, 1921, Amundsen sent out the following story from Seattle. It was carried by the Associated Press and as printed in the Evening Star, of Washington, read:

AMUNDSEN HOPES TO RADIO NEWS OF ARRIVAL AT POLE—EXPECTS TO INSTALL WIRELESS ON THE "MAUD" AND WILL TRY AGAIN TO REACH TOP OF EARTH BY FLOATING WITH ICE FLOES.

[By the Associated Press.]

"SEATTLE, WASH., August 1 [1921].—From the remotest, most inaccessible spot on earth—the North Pole—a wireless message will be flashed to the civilized world, if the plans of Capt. Roald Amundsen, discoverer of the South Pole and famous Arctic ex-

plorer, are carried out. Captain Amundsen's schooner *Maud*, on which he hoped to drift past the pole with the ice floes, was disabled by a broken propeller off Cape Serdze, Siberia, after he had spent two years in pushing around the eastward Arctic passage from Norway. The explorer left his vessel and her crew to await a break in the ice and proceeded to Nome, later coming to Seattle on a recent ship.

FIRST MENTION OF RADIO.

"The *Maud* has no wireless apparatus, but Captain Amundsen expects to install one when the *Maud* is brought here some time this summer to be repaired and refitted. Captain Amundsen explained that his party had been cut off from communication with other human beings for two years, with but one break—his trip out to Nome last year—two years of ice-bound horizons, of bitter cold, and of almost endless night.

"The war was raging in its most critical period when we left the world, most of you know," he recalled, "and for months we speculated in vain on the course of events. It was in December, 1919, more than a year after the signing of the armistice, that we finally met a Russian trader, who told us what had happened. Then I determined that we would carry wireless."

The article continues:

"The explorer affirmed that his voyage had tended only to confirm his previous theories about magnetic properties of the Polar Basin. He expressed faith that an ocean current running northeasterly from Cape Serdze would carry him past the pole and eventually into the Atlantic Ocean.

"When we reached Nome a year ago and started back," he said, "the trouble was that an unprecedented jam of ice prevented us from pushing far enough north. We drifted too much to the east, and the currents from Siberia are extraordinary; it is a sort of whirlpool, where one wanders around in circles instead of following any course."

"It will take three years, perhaps longer," he predicted.

"Captain Amundsen said that an important part of his equipment consisted of books, hundreds of them.

"I read mostly fiction," he said. "Under such circumstances a man's mind needs diversion. I want something light, but not too light; it must be plausible."

"The *Maud's* crew includes Dr. H. V. Sverdrup, a scientist; Oscar Wisting, G. Olonkin, and seven natives. They left Norway in 1918 and remained buried in the ice 19 months."

AMUNDSEN DID NOT ANNOUNCE FLIGHT PLANS.

That was the time for Amundsen to announce his polar flight plans, if he had made them. He had the ear of the Associated Press reporter in Seattle. He could have had his story of his plans spread over the world, but no such plans were in his mind. He specifically states his belief in a current that would carry him in the ice and across the pole, and his whole mind is centered still on his original plan of an ice drift. There is no mention of small airplanes for by-flights or exploration; no mention of a large plane to make the Arctic flight; no mention whatever of any flight plans up to October 10, 1921. The same day the above appeared in the Star, Fairfax Naulty gave to the Associated Press Bureau in Washington a prepared statement of his polar flight plans, and it was generally printed throughout the country on August 2, 1921. The New York Times carried the story in full and all the New York papers printed it. It was printed in all the Washington papers on August 2, 1921.

ACTIVITY IN AVIATION IN 1921.

Had there been no public interest in aviation after the war Amundsen might claim that this was not a good time to try to interest the public in an Arctic flight. But he must have been told when he came out of the ice on the *Maud* in 1920 that the Navy *N-C* had flown across the Atlantic via the Azores; that Harry Hawker had almost made a nonstop flight from Newfoundland to Ireland; and that Alcock and Brown had made it; on June 4, 1920, Lieutenants Bernard and Bossoutrol flew continuously for 24 hours and 19 minutes at Etampes, France; long-distance flights were common in Europe, and Col. R. B. Hartz had made his famous "round the rim" flight in an Army Martin bomber. The Nome Nugget newspaper printed all this, and if flight across the Arctic had been in his mind at all Amundsen had plenty of time to formulate flight plans in his off-watch hours on the *Maud* from July 26, 1920, when he left Nome, until June 18, 1921, when he arrived back again.

When Amundsen reached Seattle on July 5, 1921, and up to October, the newspapers were full of the bombing tests off the Virginia capes and the long flights made by land planes over the sea during these tests, especially Brig. Gen. William Mitchell's seven-hour oversea flight in his land plane. The Army Air Service was conducting a great publicity drive for transcontinental airways. On July 30 Durafour, a French aviator, landed on the ice on the summit of Mount Blanc. On

July 15, Lieutenant Kirsch, another French airman, established a record for altitude of 34,768 feet and a record of temperature during flight of 69° below zero. On July 16 MacMillan started off on his Baffin Bay expedition from Wiscasset, Me., and much was printed about his radio equipment. On July 27 Elmer Fullerton, Bill Hill, and Geologist T. A. Link flew from Peace River to Fort Norman, north of the Arctic; and on September 29 Kirsch's record for height was broken by Lieut. John A. MacReady, from McCook Field, with a record for altitude of 40,800 feet and for temperature of 60° below zero. Lieutenant Kirsch made a speed of 179 miles an hour in a French monoplane in October. On August 18 seaplane flights were announced from Seattle to Juneau. On August 17 a Loening seaplane made an altitude record of 19,500 feet with four persons aboard.

NO WORD ABOUT POLAR FLIGHT UNTIL OCTOBER 12.

Full accounts of these events were carried in all the newspapers. If Amundsen had thought of a polar flight, even in the most nebulous way, these events ought to have brought his thoughts to a focus, especially when in September it was announced from England that Shackleton was taking a small plane with him to the Antarctic. But never a word came from Amundsen about a polar flight until October 12, and then his word might be said to be a whisper.

At the request of W. W. Jermaine, Washington correspondent of the Seattle Times, Fairfax Naulty prepared an article describing his polar-flight plans and giving the route of the flight. This article was printed in the Seattle Times on October 10, 1921, and was a recapitulation of the data that appeared in the August 2 article in the Seattle Times, which was reprinted in full in the CONGRESSIONAL RECORD of July 6, 1922. Two days afterwards, by accident, Fairfax Naulty saw in the Philadelphia Inquirer an article which read:

"AMUNDSEN MAY TRAVEL BY AIRPLANE TO POLE—EXPLORER WILL FLY IF DRIFTING IN SHIP IS IMPOSSIBLE.

"SEATTLE, WASH., October 12, 1921.—Capt. Roald Amundsen, discoverer of the South Pole and conqueror of the Northeast Passage, will use airplanes in an effort to reach the North Pole if present plans for drifting past the top of the world prove impracticable. H. H. Hammer, his representative, announced here to-day.

"Captain Amundsen has already obtained the services of two Norwegian aviators, who will sail with his ship, the *Maud*, when it leaves Seattle next May to resume its interrupted far northern trip, according to the announcement.

"The explorer's original plans for the expedition called for a five years' drift with the Arctic ice pack."

This is the first public statement made by Amundsen, or in his behalf, of any intention to use airplanes in the Arctic in connection with the *Maud* ice drift, from his start from Norway in July, 1918, to October 12, 1921, 10 weeks after the full plans of Fairfax Naulty had been given the widest publicity. The full plans were published in the Seattle newspapers on August 2, 1921, and the Seattle Times printed a special article on its front page on October 12, 1921. To say that Amundsen knew nothing of the Fairfax Naulty plans is buncombe. Even if Amundsen does not read American papers, some one would have told him about the matter, as I was constantly kept informed of his movements without effort on my part.

AMUNDSEN DOUBTED HIS OWN PLANS.

The statement is worth a second reading: "May travel by airplane if present plans for drifting past the top of the world prove impracticable; the explorer's original plans called for a five-year drift with the ice pack." Amundsen was not then sure that he would use airplanes—"May travel by airplane" is not the same as "will fly to the pole." "Amundsen was even in doubt about his ability to drift across the ice with the *Maud*," the article reads, "if present plans for drifting past the top of the world prove impracticable."

"Present plans" means that it was Amundsen's plan, even as late as October 12, 1921, to drift with the ice in the *Maud*; his mind was still on his surface expedition. There was no announcement of the route to be flown, purposes of flight, nor any such clear exposition of purpose, boiled down to verbs and nouns, as characterized the Fairfax Naulty announcement of August 2, 1921. Even as late as March, 1922, Amundsen was still talking about the "drift across the pole in the ice."

On September 15, 1921, I prepared a statement regarding the situation in regard to my Arctic flight as it then existed. This statement was given to the Associated Press and several New York and Washington newspapers. It was not used in full, but was cut to fit space requirements. As it covers matter under discussion, I include it here.

FAIRFAX NAULTY'S PLANS OF SEPTEMBER, 1921.

Fairfax Naulty, organizer of the all-American North Pole trans-Arctic flight, the first air expedition planned to attempt the Northeast Passage by air across the Arctic from Point Barrow, Alaska, to North Cape, Norway, back in Washington perfecting arrangements after a series of satisfactory experiments in anaesthetic radio tests in Pittsburgh, said last night at the Hotel Driscoll:

"The sudden change in continental weather, extending from Trinidad, where a West Indian hurricane started, to Lethbridge, Alberta, Canada, where 5 inches of snow fell yesterday, will not affect our plans for the polar flight this autumn further than to advance the probable date of departure from the end of September to about the 15th of October.

"In Pittsburgh on Saturday, through Delegate DAN SUTHERLAND, of Alaska, I got a relayed radio from the United States Coast Guard cutter *Bear*, giving the weather conditions east of Point Barrow in the Arctic Ocean and in Beaufort Sea. The *Bear* has just made port in Nome, Alaska, from a cruise in the Arctic as far east as Demarkation Point, at the edge of Beaufort Sea, the farthest east and north that even that intrepid vessel ever made in her 36 years of service. This report shows that most of the heavy Arctic ice is off shore, that there is not much of it, that the weather in the region covered has been unusually hot, and that there was neither rain nor fog, that terror of the airman, in the Arctic in the month of August.

"Other reports from Nome and Wrangel Island, and I am in constant touch with the Nome region by radio, show that the east-northeast winds which have prevailed off Demarkation Point changed to southeast winds with rain at Nome and to southwest winds with fair skies at Wrangel Island. This means that we ought to have clear weather and northwest winds along the one hundred and sixtieth west meridian after we clear Keenan Island, probably as far north as the eighty-fifth parallel, in October. Farther north we will either find a polar calm or strong vortical winds, blowing steadily from the 'north-west,' and either will help us. Like the persistent Icelandic 'high' the weather in the region we purpose flying over is not subject to much fluctuation. If we have a following wind all the way across its speed will add to the speed of our plane, and we may be able to set a record for flight time in the first polar air expedition that later air cruises will have hard work to excel.

ORIGINAL PLAN WAS FOR 1922.

"Originally my air expedition was planned for June, 1922, but certain strategic considerations, in addition to unusually favorable weather this summer, indicating a continuance during the autumn, forced me to set ahead the date of the entire flight and to use a different type of airplane from the new all-steel one we planned to build this winter for the flight next year. We shall use a well-tested plane now built, and it is capable of carrying four persons, 50 hours' flight fuel, all needed instruments, and a four months' supply of dehydrated food. If our plane meets with accident, we can use her ribs and spars to make light sledges and mush back to Parry Islands, Garfield Coast, Greenland, or even into Spitzbergen, depending on where we lose the plane, if we do. We do not expect to crash, and so far as possible have provided against accident, but we are also prepared for a land or ice mush if called on to make it.

"If the expected conditions of weather come in October, we shall be able to make the polar flight from Point Barrow across the North Pole to North Cape, Norway, in a week from the time we take the air at Barrow and have ample time for observations of ice, land, water, and air, and for observations to assure us and the world that we have reached the North Pole.

TO RADIO ARRIVAL AT POLE.

"At the North Pole we shall radio our observations and ask for any corrections from the Naval Observatory and Harvard and Columbia Universities by relay, and if we are in error that error can be corrected while we are at the pole. Our method will relieve our reports of any doubt as to accuracy. There will be four men at the North Pole, and each one of them will make observations under my direction, so there will be a mutual check up on personal equation as well as possible instrumental error. If there are any criticisms of our observations, that will be the time to make them, while we are still at the North Pole.

"The hot summer of 1921 in the Arctic, having melted much of the ice that is assumed to remain during the summer, will enable us to tell, even in flight, with ordinary visibility, whether it is land, ice, or water below us, and the mirage conditions that are so deceptive to explorers in viewing distant

objects from the surface ought to be minimized by lessened surface ice and our altitude in flight. Further, we shall get better photographs of surface flown over due to contrast of water, land, and ice. As the sun will be below our horizon for part of the time of the flight, it may be a surprise to learn that we expect to take still pictures of the Arctic surface and clouds, but it must be remembered that the moon will be high and full on the 16th, that we shall have the actinic glow of the Milky Way, the crest of the Zodiacal Light, the Gegenschien, a strong twilight glow all around that horizon, possible aurora, and with clear weather the light of the stars in that dustless air will be no mean actinic factor. Even if natural conditions do not help we shall get flash-light or 'flare' photographs by dropping the new flares that give intense illumination for five or more minutes over an area several miles in diameter. These flares will also be of great use in determining drift of the plane and speed and in showing us our way.

"The polar flight is purely a civilian, scientific, and technical enterprise, but I have been aided unofficially by the best genuine experts in all lines in the United States, and all of them have given of their best to make this American expedition a success. I have had long conferences with Capt. St. Claire Street, Air Service, Army, who was in command of the Army Alaska flight of 1920, and with Lieutenant Crumrine, one of the pilots who flew to Nome. Neither sees any great difficulties for resolute men in the way of the polar flight even as late as October. Nor does Brig. Gen. William Mitchell, in command of the First Aerial Brigade and chief of the flight section of the Air Service, who spent several years in Alaska and who knows the country well. My conclusions as to probable weather conditions have been approved by R. L. Lerch, of the Hydrographic Office. The best data available has been at my disposal from the Coast and Geodetic Survey and all the published reports of the *Bear* have been freely consulted.

CREDIT TO OTHERS FOR WORK.

"Here let me emphatically and gratefully say that were it not for the work of all the men who have given their best to aviation and Arctic exploration the polar flight would not be the practical effort that it is. Were it not for the work of Mitchell, in proving that a land plane could remain aloft for seven hours' flight over water and fly 700 miles with a single supply of fuel; of Street, in making the pioneer flight to Alaska; of Hartz, in flying a Martin bomber around the United States with a crew of five; of General Squier and Colonel Culver, in radiophone experimentation; of Glenn Martin, in aircraft design; of Hartney and Crumrine, in wide flying experience; of my son, Leslie Fairfax Naulty, in collating for years all available Arctic data and charting it and turning out most valuable maps, and of the work of every Arctic explorer from Parry, in 1819, through Franklin, McClure, Nordenskiöld, De Long, Greeley, Nansen, Baldwin, Fiala, Nansen, Sverdrup, Peary, Abruzzi, Orleans, Kane, Hall, Nares, and the seldom accredited men who financed some of these explorers, and all the gallant men of all nations who risked all and gave all in surface exploration, and on whose material I have heavily drawn on what to do and what not to do, not even forgetting Vincent and Coffin, the designers of the Liberty air motor, which we all use, my polar air expedition would not be possible.

"Whatever credit may come to me, succeed or fail, and I do not expect to fail, will be due to me only because of what I have done in realizing the possibilities of the polar flight and as the last organizer and user of what all those who have gone before me have done. It is not a one-man job. A thousand men, in over a century of Arctic exploration, each have added their contribution to this supreme effort. Had they not gone before and partly blazed the way we should not now be able to attempt to open the last closed door of the earth—the northeast passage across the North Pole by air.

"I have been conducting experiments with analectic, or step-up, radio transmission in Pittsburgh and feel that we can now be sure of a sending range of 2,600 miles by radio under fair conditions. With a dual set we shall be in hourly radio relay communication with the world during the flight and stops. If we get into trouble, our last radioed position will tell the relief party that will be dispatched at once just where we are, as we shall give our position every hour. 'If we don't hear from you for six hours, we will come roaring up after you with a squadron, if need be,' said General Mitchell to me. We can easily reach Nome radio station and may even be able to make the Maine stations in night sending.

EXPECTED TO FIND POLAR LAND.

"I certainly do expect to find land between Point Barrow and the North Pole in the region north of Grant Land, Garfield Coast, Cape Isachsen, Polynia Island, and Landsend, Parry

Islands. In January, when Shackleton was in New York, he told me that my son's chart of 1917, copies of which he had access to, had convinced him that land or shallow water existed north of Beaufort Sea. As shown in that chart, the separation of the Bering current, Polar current, and Northwest Asian current, at about 72° north and 165° west, indicates land between the separation point of these currents and the North Pole. This is confirmed by the deeps sounded by Nansen in the *Fram* from 80° north and 130° east to 84° north and 70° east on the Asian side of the Arctic Ocean. "Trough deeps" like these always occur on the sea side of mountain ranges, as on our Pacific coast and off Japan and the Kuriles.

"If we do find such land, I shall name it President Harding Land. The melting of the ice, due to the past hot summer, will enable us to determine with certainty whether what we see is ice resting on shallows or actual land, and our photographs taken there with the best aerial photo apparatus will enable us to study wide ranges of country at our leisure after our return. All the recorded soundings, the set of the Arctic currents, the probable 'tailing out' of the North American and Greenland mountain ranges, and the effect of the rotation of the earth in 'ridging up' near the pole indicate land, and I am willing to go on record now that it exists.

CIRCUMNAVIGATION OF NORTHERN HEMISPHERE.

"If all goes well, we shall completely circumnavigate the Northern Hemisphere when the flight is finished. We hope to start the polar flight from Washington, using a land chassis as far as Seattle. There we shall change the undergear to a special underbody which I have devised for the Arctic, by means of which we can make a 'landing' on ice or water. Anyone who knows what a Great South Bay 'scooter' is will know the form of my device. From Seattle we plan to fly up the Alaskan coast to Anchorage, and from there will cut across to Nome and on to Point Barrow. From Barrow the actual polar flight will begin. We shall fly due north, using the stellar constellations for direction, and will cut and observe all the unknown arcs of magnetic variation, inclination, and intensity between the North Pole and the magnetic pole. After full observations at the North Pole we shall fly to Spitzbergen; from there to North Cape, with a possible landing at Bear Island.

"From North Cape to Hammerfest, thence to the head of the Gulf of Bothnia, avoiding the dangerous winds of the Norway fiords by using the Swedish soft coast. We shall complete the trans-Arctic flight at Bothnia, as the Arctic Circle cuts just north of the head of the gulf, and we will have first cut the circle west just north of Nome. We shall fly down the Bothnia Gulf to the Baltic and to Stockholm, thence to Christiania, Copenhagen, Amsterdam, Hamburg, Brussels, Paris, and London. We hope to reach London by November 15.

"At that time the North Atlantic winds will probably be strong northwesterlies, and the same winds that have helped us so far will be against us for a return flight. We shall stow the *Inspiration*, which is the name of our plane, at London, return to Pittsburgh, and build our all-steel plane, and next year we shall try to complete the circumnavigation of the Northern Hemisphere with the *Inspiration*, providing she is still airworthy, by flying from London to Drogheda Head, Ireland; to Liverpool; to John O' Groats, Scotland; to the Orkneys; to the Faroe Isles; to Iceland; to Greenland; down the Greenland coast to Cape Farewell; across Davis Strait to Labrador; thence to the mouth of the St. Lawrence; up the St. Lawrence to Lake Champlain; down Champlain to the Hudson; to New York, my native city; and finish at Washington, on the Potomac, as a seaplane.

PLANS FOR 1922 AND POST OFFICE AT POLE.

"If for any reason or combination of preventive conditions we are unable to make the polar flight this year, I shall build an all-steel plane at Pittsburgh this winter, equip it with two Liberty motors, and get away as early as possible next year. I want to make the polar flight this autumn, as the conditions are now most favorable, and we will do all possible to take off. Deo volente, we can make Point Barrow in a week from Washington, and we can shave the time of start, if the weather holds, from the States up to the middle of October.

"I shall take letters from leading men of the United States to leading men of Europe, and hope to postmark them 'North Pole.' We will send radios to friends from the North Pole, but the first one of these will be to little Alexandra, the daughter of a friend, who was the first to be promised such a message when the plans of the polar flight were first made known.

"Mascots? None whatever. We shall rely wholly on the providence of God, earnest and thorough human preparation, a first-class equipment, and the benignity of Mother Nature in

the north. No rabbit's foot, dogs, cats, or goats for us. Superstition and science are not compatible."

In the discussion of Arctic flight routes, it must not be forgotten that Japan by air is not so far from the Arctic, and that she has a strong and well-developed air service at the present time. Arctic air bases would be of use to her. We are going to try for the trans-Arctic flight crossing this year. It takes more than a plane on board a ship steaming to the north waters to make a transpolar or trans-Arctic flight.

PRESIDENT HARDING ON AVIATION.

That transit and traffic by air is not merely the pet hobby of a few enthusiasts is indicated by the following letter written by President Harding a few days ago to an aeronautical organization in New York, with which I close. President Harding's letter reads:

"It is a real distinction to America to be known as the birth-place of the airplane; it should be our concern that this art shall not languish but that in its practical application we should lead the world. An amazing development will take place in the near future in the utilization of the air as a medium of transport and communication. As a Government we are aiming to provide this art with the necessary guaranties of law, and with such facilities as may be possible through the encouragement of airways and terminals."

Yours truly,

EDWIN FAIRFAX NAULTY.

LAWLESSNESS IN AMERICA.

Mr. MYERS. Mr. President, on the 27th of last month there appeared in the Kansas City Times an editorial on the subject of lawlessness and crime in the United States to-day and general disregard of constituted authority. The editorial is very pertinent and is entitled "What of America?" It is one of the best editorials inspired by the horrible Herrin, Ill., massacre that I have read.

So far as I can see, there is no indication of any intention on the part of the officials of the State of Illinois to mete out any punishment to the perpetrators of that terrible crime. No apparent step in that direction has yet been taken and the strange neglect of the Illinois authorities is already bearing fruit. It has borne fruit this week in a lawless attack on peaceful workmen in West Virginia, in which there was loss of life on each side. So long as the terrible crime committed at Herrin against life and constitutional guaranties is allowed to go unpunished, in my opinion it will bear much more fruit of the same kind.

This editorial is short and contains so much food for serious thought that I ask leave to have it printed in the RECORD, as a part of my remarks, in 8-point type.

There being no objection, the editorial was ordered to be printed in the RECORD, in 8-point type, as follows:

WHAT OF AMERICA?

They have buried their dead in Illinois, and American civilization is composing its face to that bland expression that has come to be its main reliance against all questioning, all charges, and all doubts.

But questioning and doubt are not buried. They can neither be shot to death nor assured by the smooth countenance of society through whose hasty make-up show the scars and ulcers of a raging disease.

Americans must answer the question, What of America?

It is being asked to-day all over this broad continent; asked by Americans; asked in shame, humiliation, and fear. Their country, their democracy, their laws, institutions, and civilization are under indictment and the indictment goes unanswered.

Only the other day we sent the flower of our young manhood across the seas to fight for liberty. Did we send them to the right place? Was our liberty secured on those European battle fields, or is it here at home that it faces an enemy in arms?

Obedience to law is liberty. So stands it written over the door of our courthouses. Can Americans read that solemn injunction and fail to acknowledge to themselves that tested by it there is no liberty in America?

There is no liberty where there is no law. There is no liberty where there is no protection for life or property. There is no liberty where there is no respect for human rights, where justice can not be invoked both for the security of society and the punishment of its enemies.

What of America?

While that murder was being done in Illinois a court and jury were delivering the judgment that no crime was committed when the public funds of that State were diverted from the public treasury.

Last year in London, a city of 7,000,000 people, there were nine murders. In Chicago there were 105. In every American

city known criminals walk the streets unmolested. In every American city crime goes unpunished, criminals walk unscathed from the dock and amid public plaudits while bold graft and flaunting vice enthroned in every political place bow graceful and pleased acknowledgment.

What of America?

Rich, luxury-loving, money-grubbing, politically corrupt, lawless America. Land of liberty, land of sacrifice, land of soldier dead, of patriot devotion, of patriot ideals sealed on so many heroic fields, watched over now by no spirit of America, but only by the cold, inanimate monuments that are America's last remaining sentinels.

The most lawless country in the world. A country of universal cynicism, skepticism, and inhuman materialism. A country that raises a stately memorial to Abraham Lincoln and forgets or openly jeers at his teaching. A country where class hates class and class arms against class, shooting and lynching and burning and dynamiting while the law looks on and the public is so indifferent that it even looks away. A country that throws open its gates to alien criminal and alien lunatic, to anarchist, bomber, and hired assassin, and where few Americans are born, few vote, and few lead.

Land of shotgun, dagger, and bomb—America! Land of lawless might, of cruelty, injustice, and ribald laughter; of sneers at morality, winks at patriotism, and open admiration at triumphant wrong.

What of America?

What of its liberty and laws, its beliefs, faiths, sobriety and gravity of thought and action that were the America of old? If this Republic could not endure half slave and half free, can it endure half law-abiding and half lawless? Is there no leadership left to this land, on which so much of the last hope of humanity is fixed, to point out the course it is traveling and to call upon it with the voice of a Washington or a Lincoln or a Roosevelt to stay?

What of America?

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRELD:

A bill (S. 3857) authorizing the erection of an addition to the Federal court and post-office building, Oklahoma City, Okla., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. STERLING:

A bill (S. 3858) to define butter and to provide a standard therefor (with an accompanying paper); to the Committee on Agriculture and Forestry.

By Mr. CALDER:

A bill (S. 3859) for the relief of James R. Hawkins; to the Committee on Claims.

By Mr. FRELINGHUYSEN:

A bill (S. 3860) for the relief of Hyman Wechsler; to the Committee on Claims.

By Mr. NEWBERRY:

A joint resolution (S. J. Res. 229) authorizing the Federal Reserve Bank of Chicago to enter into contracts for the erection of a building for its branch office in Detroit, Mich.; to the Committee on Banking and Currency.

STABILIZATION OF SILVER.

Mr. KING. Mr. President, if I may be pardoned for injecting an irrelevant matter, recently a meeting was held by the mining interests of the West. A great congress convened at Denver, Colo., on June 22 and remained in session until June 28. At that congress the following resolution was adopted, and it is of such national, if not international, importance that I feel that it should be brought to the attention of the Congress and referred to the appropriate committee, and in that manner brought to the attention of the country. The resolution reads:

Whereas this conference believes the rehabilitation of business and finance in Europe, with consequent benefit to the entire world, will be expedited by the increased use of silver for monetary purposes; and

Whereas under existing conditions international transactions in silver are subject to private manipulation, thus frequently setting aside the law of supply and demand, and thereby adversely affecting alike the producers of silver and those who otherwise could and would use it in greatly increased quantity, to their own advantage and to the advantage of all business and industry here and abroad; Therefore, be it

Resolved, That Congress be, and hereby is, respectfully urged to consider the subject of international stabilization of silver at an early date.

Mr. President, I ask that the resolution which has been forwarded to me be referred to the Committee on Banking and Currency.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KING. Mr. President, I have no desire to precipitate any discussion at this time in regard to bimetalism, although the chaotic condition of the world's currency has led many economists and writers upon fiscal policies to reexamine the question of bimetalism or at least the question as to the function of silver in the monetary system of the world. The awakening of the Orient, the certain increase of trade and commerce between India, and China, and Japan, and the nations of Europe and America, emphasize the importance of what may be denominated the silver question. Silver has been and will continue to be employed in the Orient for monetary uses; indeed, it is practically the only money in circulation in most regions of the Orient.

The prosperity of the Orient and the development of trade and commerce among the peoples of Asia largely depend upon silver. If the use of silver should be restricted or its value measured by domestic products greatly changed, undoubtedly the reaction would be very great and the results could not be fully anticipated. The United States as a producer of silver is interested in the price which it will bring. It is interested in the place which silver shall occupy in the monetary system, not only of the United States but of the world. It seems manifest that with the expiration of the Pittman Act the price of silver produced in the United States will fall much below the dollar mark, which now is the price of an ounce of silver. A great depreciation in the price of silver would be injurious to the West. Indeed, it is difficult to determine the effects that would flow therefrom, not only to the West but to the entire country.

The resolution which has been read is temperate in language, admirably phrased, and contains a sound recommendation. I sincerely hope that the Committee on Banking and Currency will fully investigate this important matter and make some recommendation tending to secure the result suggested in the concluding paragraph of the resolution.

#### FUR-SEAL FISHERIES.

Mr. HITCHCOCK. Mr. President, some time ago I introduced and the Senate passed a resolution calling upon the Secretary of Commerce for certain information concerning the sale of sealskins from the seal herds of the Pribilof Islands. A report was made something over a month ago and referred to the Committee on Commerce, of which the Senator from Washington [Mr. JONES] is chairman, together with the draft of a bill which proposes to annul the contract under which the Department of Commerce is acting at this time. I understand the Senator from Washington has not been able, on account of other duties, to take up the matter for investigation, but I want to call attention at this time to the very serious nature of the delay.

The three-cornered treaty by which the killing of seals at sea was stopped was followed by legislation, and under that legislation the United States Government now kills all the seals which are to be killed on the Pribilof Islands. The old commercial contracts were done away with. It was intended that the United States should have the profits from the seal killing. Unfortunately, however, some three or four years ago a contract was made by the United States with a firm in St. Louis for the dressing of the sealskins, and since that time that company, rather than the Government of the United States, appears to have been making the profits out of the sealskins.

I have before me a tabulated statement with reference to the matter. The statement shows that the United States Government killed 23,555 seals on the island in the year 1921. The gross receipts from the skins amounted to \$722,000, in round numbers. The cost of dressing, brokerage commissions, cost of the plant on the island, and so forth, amounted to \$480,000. So the net receipts were only \$241,000 from the 23,000 valuable sealskins, or a net result of only \$10.28 each. From that \$10.28 the United States Government had to pay 15 per cent to Canada and 15 per cent to Japan, under our treaty, amounting altogether to the sum of \$90,000. In 1920 the result was about the same. We received \$715,000 gross sales. The expenses were \$442,000, largely to the company in St. Louis. The net receipts were only \$273,000.

The trouble is, as I find the report shows, that the Government of the United States is paying something like \$20 per skin to the St. Louis company for dressing the skins, and after that performance is gone through with the skins do not sell for more than they formerly sold for without any dressing at all.

That is not all. It appears that several thousand skins every year—and the figures I believe show that last year there were something like 3,000 of them—after being dressed at a cost of something like \$20 per skin, sold at less than the dressing cost. In some cases they sold for only 50 cents or a dollar

each. So that the Government of the United States lost on each skin in those cases almost the entire cost of the dressing. It received from the skins in 1919 \$2,500,000.

I think it is high time we had some explanation of why 23,000 skins realized a gross amount of \$2,500,000 in 1919, while in 1921 23,000 skins only realized a gross amount of \$722,000. The net amount which the Government received in 1919 for 23,000 skins was over \$2,000,000, while the net amount we received from 23,000 skins in 1921 was only \$241,000. I think we should find out whether comparatively worthless skins are being brought down from Alaska, and, after the Government pays \$20 each for the dressing of those skins, they are sold for only a few dollars per skin, at a very large loss to the Government. It is very evident that the company in St. Louis is receiving between \$400,000 and \$500,000 a year for dressing the skins and that the net amount which the Government receives after that is very much less.

Mr. SPENCER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. HITCHCOCK. I yield.

Mr. SPENCER. I think the Senator from Nebraska is mistaken about some of the facts. In 1919, when the \$2,000,000 result was reached from the sale of the skins, the skins were dyed by the St. Louis company and they were sold by the St. Louis company. The reason for the small amount derived from the 1921 sale, as my information is, was that the 1921 sale was of inferior skins which had accumulated for some years, some of them worthless, all of them not up to first class, and it was not by any means a normal sale. The cost of dressing and dyeing has not been greatly changed. The cost of the dyeing and dressing has continued approximately the same.

The profit to the Government since the St. Louis concern took over the dressing and dyeing has been out of all proportion greater than it ever was before, and in addition the dyeing and dressing is being conducted in the United States, whereas before it was conducted in England.

I may say, merely by way of information, that the firm under whose auspices this was done has practically gone bankrupt. The Gibbons & Lohn Dressing & Dyeing Co., who did the business, were owned by the International Fur Exchange, which failed a year or two ago for several million dollars. For years the dyeing concern operated at a constant loss, but my information is that now there is some profit in the dyeing of the skins, the details of which I do not have at hand. I do know that the price paid for dressing and dyeing is only a fair price, and that the United States Government is receiving a return from its sealskins many times greater than when the Government sold only the raw skins which were by the purchasers sent to London for dressing and dyeing.

Mr. JONES of Washington. Mr. President, I agree with the Senator from Nebraska that the matter ought to be investigated. I have been trying to bring about a meeting of the committee and to have a hearing upon the subject. I think matters are in shape so that we can have a hearing some time next week, and I have planned to call the committee together some time next week to give those interested in the matter an opportunity to appear before the committee.

Mr. HITCHCOCK. I am very glad to hear that. I feel personally a deep interest in the subject. I was the author of the amendment which was ingrafted upon the legislation, carrying out the treaty with Great Britain, Japan, and Russia regarding the killing of seals by pelagic hunting. I introduced the amendment, and fought it through the Senate, providing that for 10 years this herd of seals should be allowed to increase and that no killing should occur there. We finally compromised with the House of Representatives on a closed season of five years, and the result is that the herd, which had diminished to something like 100,000 seals, has now gone up to nearly 1,000,000. It is a valuable asset to the United States. At the present time sealskins sell in the market at more than they sold for a few years ago; yet the Government is not realizing one-tenth of what it realized in 1919 for the same number of sealskins.

Mr. SPENCER. Mr. President, will the Senator from Nebraska allow me to interrupt him?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. HITCHCOCK. I yield.

Mr. SPENCER. The Senator from Nebraska does not mean to intimate that the Government in the last 5 or 10 years, during which the St. Louis concern has been dyeing and dressing those sealskins, has not received many times more than it ever received under the old arrangement?

Mr. HITCHCOCK. Yes.

Mr. SPENCER. The Senator, as I understand, is confining himself to the difference in proceeds between the years 1919 and 1921, and that difference is occasioned as I have indicated.

Mr. HITCHCOCK. The Senator from Missouri is not entirely correct. The Government of the United States had two contracts with commercial companies for the killing of seals, but they were canceled by legislation which was put into effect in 1912, I think. Prior to that time, however, the Government of the United States realized out of those skins between \$9 and \$10 per skin, and this year the Government only realized \$10.28.

Mr. SPENCER. What the Senator states is true as to that exceptional year.

Mr. HITCHCOCK. There have been two exceptional years. I am calling attention to the fact that in 1921 23,000 skins only brought to the three Governments \$221,000, or \$10 per skin, whereas in 1919 they brought \$84 per skin. Even during the World War, in 1918, \$36 per skin was realized.

There is a cause for this decline, and the cause is that the company in St. Louis is making inordinate profits out of those skins. That company is allowed under its contract with the Commerce Department to send its agents to Alaska and to select the skins which are to be sent to St. Louis for dressing. During the last year thousands of those skins, when dressed at a cost of \$20, sold for merely nominal figures, sometimes as low as 50 cents per skin. That company is responsible for sending those skins down to St. Louis, because the Government depends upon it to select the skins. The company made \$20 per skin in dressing them, but the Government in some cases did not get 50 cents a skin out of them.

Mr. SPENCER. Will the Senator from Nebraska yield to me?

Mr. HITCHCOCK. Yes.

Mr. SPENCER. That is entirely true in that exceptional year when they were getting rid of a job lot that had accumulated for years; but I may say to the Senator that the returns to the Government of which he has spoken so approvingly, of the large amount of \$80 a skin and \$40 a skin, were obtained when the St. Louis company was dyeing and sealing at precisely the same rates at which it is now dyeing and sealing. The decline was not due to any exorbitant rate secured by the St. Louis concern; it was not due to the contract which they made with the Government some years ago, which has been modified only in some negligible manner, but it was due to the difference in the market price of sealskins. In 1921 no seal-skin sold for a high price, and the refuse naturally sold for a very low price.

Mr. HITCHCOCK. I am not going into an extended discussion now, but I am told by competent authorities that those skins will sell at as large a price without any dressing, simply in salt, as they will sell after the dressing by this company in St. Louis.

I am not holding the present administration responsible for the contract, which was made under a previous administration, but I say the contract ought to be abrogated. I believe it is an illegal contract. It is costing the Government of the United States at the present time hundreds of thousands of dollars a year.

Of course, the company in St. Louis for which the Senator speaks is making that money out of these skins. Its agents are authorized to select the skins in Alaska. Some of them are not worth dressing at all, but they have sent them to St. Louis and dressed them at an expense of \$20 per skin to the Government, while, as I have said, they are then being sold for a nominal amount after that has been done. That practice ought to be put a stop to; and it ought to be put a stop to before the seals are killed and their skins sent down here in August and September. Therefore, I suggest to the chairman of the committee that the matter is urgent.

Mr. NELSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. HITCHCOCK. I yield.

Mr. NELSON. I can only say that I am heartily in accord with the views of the Senator from Nebraska. The old system of killing seals had reduced the seal herds in Alaska until there were only about 200,000 left. We had to adopt a closed season, and after great effort and much opposition we finally succeeded in securing the passage of a law providing that that season should be for five years. Under that law there has been a great increase in the seal herd in Alaska, and if the matter continues under the control of the Government, as it has been since the passage of the law to which I refer, the seal herd will continue to increase.

I discovered, however, at the time we were seeking to have that legislation enacted there was a great deal of opposition from certain persons in St. Louis, and particularly from a member of the President's Cabinet, who is still living at St. Louis. He threw all the obstacles possible in the way of securing the legislation and also in the way of the execution of the law after it was enacted. He did that to my personal knowledge. I had correspondence with him.

Under the present law, instead of sealskins being sent direct, as they were in old times, to London, where we got a good price for them, the skins are now sent to St. Louis, and a firm there, under the pretense of dyeing and dressing the skins, gets the lion's share of the profits. I entirely agree with the Senator from Nebraska that that scheme ought at once to be broken up.

Mr. HITCHCOCK. I ask unanimous consent to insert in the RECORD a tabulated statement showing the number of sealskins sold in 1913, 1916, 1917, 1918, 1919, 1920, and 1921; the gross receipts from the sale of those skins; the cost of dressing and other costs involved; the net receipts, the average net price per skin, and amounts paid to the Governments of Canada and Japan.

The PRESIDENT pro tempore. Without objection, the tabulated statement referred to by the Senator from Nebraska will be placed in the RECORD in connection with his address.

The statement is as follows:

Fiscal year.	Number of skins sold.	Gross receipts.	Cost of dressing, brokers' commission, freight, island plant, etc.	Net receipts.	Average price, net, per skin.	Canada and Japan's share under treaty, act 1912.
1913.....	5,691	\$195,868.58	\$116,000.00	\$94,868.00	\$16.65	<sup>1</sup> \$26,476.00
1916.....	5,400	235,748.50	181,500.00	54,248.00	10.01	<sup>2</sup> 18,082.00
1917.....	9,339	379,392.00	250,750.00	128,642.00	13.72	<sup>2</sup> 42,880.00
1918.....	12,102	777,931.00	334,832.00	443,099.00	36.64	<sup>2</sup> 147,696.00
1919.....	23,907	2,533,547.00	518,350.00	2,015,296.63	84.20	<sup>2</sup> 649,362.21
1920.....	20,180	715,404.00	442,622.00	273,176.00	13.51	<sup>2</sup> 90,927.00
1921.....	23,555	722,060.00	480,146.50	241,913.50	10.28	<sup>2</sup> 90,521.00
	101,174					

<sup>1</sup> Undressed salt skins.

<sup>2</sup> Machined, dressed, and dyed skins.

Mr. HITCHCOCK. I wish to say, Mr. President, in closing, that I was induced to bring this matter up at this time by reading from a misleading statement purporting to be an interview with the Assistant Secretary of Commerce, Mr. Huston. He states in the interview that—

The net profit to the United States Government averages a million dollars a year.

As a matter of fact, as shown by the figures I have presented, the net profit to the Government of the United States does not aggregate at the present time \$200,000 a year. If the Assistant Secretary of Commerce believed when he made that statement that the net profit to the Government was a million dollars a year it shows that he has no realization of what is being paid out for the cost of dressing under this very unfortunate contract. I am glad to hear the Senator state that an investigation will be begun next week.

DISTRIBUTION BY FEDERAL RESERVE BANKS OF A SPEECH MADE IN THE SENATE.

Mr. HEFLIN. Mr. President, on yesterday the Senator from Connecticut [Mr. McLEAN] asked that the reports of the various Federal reserve banks in response to a resolution adopted by the Senate inquiring about the printing and distribution of a speech made by the Senator from Virginia [Mr. GLASS] be printed in the RECORD. Those reports are all in, Mr. President, and before giving consent for their publication I desire to submit a few remarks to the Senate.

I have repeatedly stated in the Senate that the speech of the Senator from Virginia was circulated at the instance of the governor of the Federal Reserve Board, whose official conduct was involved in the controversy. No information as to who ordered the speech printed and circulated came from the governor of the Federal Reserve Board. The governor of the Federal Reserve Board knew that the question was being asked here repeatedly: At whose instance was the speech of Senator GLASS being sent out by Federal reserve banks? I finally secured the adoption of a resolution by the Senate calling upon the Federal Reserve Bank of Atlanta to state to the Senate at whose instance it had circulated the speech. It

answered that it had circulated it upon its own motion and responsibility, but that Governor Harding, of the Federal Reserve Board, had merely advised that copies of the speech were available. That statement is not in keeping with the facts as reported by the other Federal reserve banks.

Finally, Mr. President, I succeeded in getting another resolution through this body calling upon the other Federal reserve banks to state at whose instance the speech of the Senator from Virginia had been circulated and who had paid for its printing and distribution. In response to that resolution most of the Federal reserve banks replied that Governor Harding had sent them a telegram advising that the speech be circulated.

I wish to read to the Senate a copy of the telegram sent by Governor Harding to each and every one of the Federal reserve banks. The telegram was sent out before any official of the Federal reserve banks had seen a copy of the speech delivered in this Chamber. The telegram was sent by Governor Harding two days before the speech was printed in the CONGRESSIONAL RECORD. The telegram is dated January 18, 1922, and reads:

Think Senator GLASS's great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday, 20th, and additional orders should be given to-morrow. Printing Office estimates cost of copies at from 5 to 7 cents each. Please wire promptly how many copies your bank wishes.

(Signed) HARDING.

Mr. President, here is a telegram practically ordering the Government officials of the Federal reserve banks to have printed and distributed a speech defending the Federal Reserve Board's deflation policy, and that order was sent by the governor of the Federal Reserve Board whose conduct was involved in the debate had in the Senate.

Mr. President, the governors of the Federal reserve banks were appointed to the positions they hold by Governor Harding and the Federal Reserve Board. Here is the head of the greatest banking system in the world sitting in the Capital of the Nation sending a telegram to each one of the governors of the 12 Federal reserve banks, not asking them, "Do you deem it advisable to circulate this speech?" not asking them if they think its circulation would be in keeping with the proprieties involved, but we find the governor of the Federal Reserve Board calling upon these banks to circulate this speech, not asking them whether they are willing to spend the money of the banks and of the Government in its printing and distribution, but telling them to send it out, and asking them, "How many copies do you want?" Oh, Mr. President, would that Old Hickory Jackson could come back now and see how our great Federal reserve banking system is being used as a bureau for political propaganda. Imagine him, if you please, permitting the governor of the Federal Reserve Board to order the officials of the Federal reserve banks to have printed and distributed, at the expense of these Government banks, a speech made in the Senate and which contained criticisms of the speech and position of another Senator in which he criticized and condemned the deflation policy conducted by the Federal Reserve Board.

Mr. OVERMAN. What would "Old Hickory" do?

Mr. HEFLIN. Why, he would remove Governor Harding, and by so doing greatly gratify nearly a hundred million of people. He would take the Federal Reserve Board and the Federal reserve banks out of partisan controversies and political activities.

I want the Senators on both sides who do me the honor to hear what I have to say to put themselves in my place for a moment, and see just how they would feel under these circumstances. If you, as a Member of this body, were trying to do your duty and make the truth known about a policy that had been employed by the Federal Reserve Board and that had wrought ruin in your section, and if you had spent months and months reading from the bulletins of the Federal Reserve Board itself, reading from the reports of the Comptroller of the Currency, who was himself a member of the Federal Reserve Board, giving the facts and the records that are indisputable, how would you feel to have Government banking officials with unlimited money print and circulate without cost to your opponent in the controversy, who attacked and criticized your position, a hundred and forty-odd thousand speeches, and send them throughout the United States?

Mr. President, most of these banks—in fact, practically all of them—say that this expense money was provided as all other expense money is provided, out of the earnings of the bank. I charge to-day that after dividends are paid and administrative expenses are met 90 per cent of that which is left of the earnings of these banks goes into the Federal Treasury. I take the position that these banks had no right to expend the

money they did expend in circulating this speech, and that the chances are that 90 per cent of that amount was Government money which would have gone into the United States Treasury.

Let me read to the Senate what these Government bank officials did toward printing and distributing a speech made by one Senator criticizing and attacking the position of another Senator. This was done at the expense of Government banks and at the expense of the Government itself.

The Federal Reserve Bank of Philadelphia had printed 11,000 copies of this speech at a cost of \$423.11.

The Federal Reserve Bank of Richmond, 10,000 copies at a cost of \$286.99.

The Federal Reserve Bank of St. Louis, 15,000 copies at a cost of \$585.39.

The Federal Reserve Bank of Cleveland, 7,200 copies at a cost of \$203.32.

The Federal Reserve Bank of Chicago, 15,000 copies at a cost of \$475.

The Federal Reserve Bank of Kansas City, 4,500 copies at a cost of \$195.

The Federal Reserve Bank of Minneapolis, 9,500 copies at a cost of \$277.85.

The Federal Reserve Bank of Dallas, 2,500 copies at a cost of \$179.12.

The Federal Reserve Bank of Boston, 17,960 copies at a cost of \$546.74.

The Federal Reserve Bank of New York, 23,275 copies at a cost of \$728.42.

The Federal Reserve Bank of San Francisco, 20,000 copies at a cost of \$681.21.

The Federal Reserve Bank of Atlanta, 6,500 copies at a cost of \$108.69.

Total, 142,435 copies at a total cost of \$4,690.84.

Mr. President, one of these banks computed the time of the employees of the bank in addressing, mailing, folding, and sending out these speeches. The banks generally replied that expenses incurred in distributing the speech were charged to the current expenses of the bank.

In giving costs of distribution, the amount paid for the printed speeches is given, the amount paid out for envelopes, and for postage.

In no instance is there any accounting for the time and labor taken by the employees of the banks in listing and typing names, in addressing envelopes, inclosing the speech and sealing the envelope, and in handling such a document in all its various stages from its receipt to its deposit in the mails. Some one had to do this work, and some one had to pay for it. Bank clerks do not work overtime without compensation, and they do not perform regular duties and extraordinary duties without some additional expense to their employers.

One deputy governor, reporting from the San Francisco district, recognizes the element of expense involved in the work described. He reports that 20,000 copies of the speech were ordered, that 12,200 were sent out through the mails, that 7,200 copies were sent out by parcel post or distributed locally, and that he has 600 copies on hand. Then he gives an estimate of the value of the time involved, "if an outside agency had been employed," as follows:

292 hours listing and typing names to distribute another Senator's speech free of cost.....	\$146.00
83 hours addressing envelopes by typewriter to distribute another Senator's speech, made in a controversy with another Senator in the Senate of the United States.....	41.50
14 hours stamping envelopes, 2 hours addressograph, 27 hours inclosing.....	16.12
Total.....	203.62

The reports show that 142,435 of the speeches were sent out. If the modest expense ratio given in the estimate of the San Francisco deputy governor is a correct one upon which to figure, then the cost of the time of the bank clerks in handling the lists, directing the envelopes, attaching the stamps, sealing, and mailing would amount to \$2,300. This, of course, should be added to the total expense shown to have been incurred by the banks in securing copies of the speech, envelopes in which to mail them, and postage. That expense—

Total.....	\$4,690.84
Add time expense.....	2,300.00
Grand total.....	6,990.84

Or, in round numbers, \$7,000, almost the salary of a United States Senator for one year, expended because of the Federal Reserve Board governor's order to circulate a speech defending the deflation policy of the Federal Reserve Board.

Mr. President, do Senators indorse that conduct? Was not the governor of the Federal Reserve Board violating the proprieties involving the duties of his office as intended by the law—

makers when he ordered the officials of the Federal reserve banks appointed by him to have printed and distributed the speech of one Senator assailing and criticizing the position of another Senator?

I want Senators to think seriously upon that question; and while it involves me personally—I am the man criticized and attacked in the speech that these people have circulated, at a cost to the Government and the banks of nearly \$7,000—I want Senators to think how they would feel if they should make a speech on this floor attacking any policy, and somebody made a speech in reply to it and arraigned them caustically for the position that they took, and then these banks published and circulated nearly 150,000 copies of that speech in the United States. How would they think and feel upon that subject?

I hold that the governor of the Federal Reserve Board and the officials of the Federal reserve banks have no right to have printed and circulated at the expense of Government banks a speech made in the Senate against a Senator who has criticized the policies of the Federal Reserve Board. Can you imagine anything more dangerous and harmful?

Mr. President, the speech that was printed and sent out under the order of Governor Harding undertakes to reply to arguments that I made in a speech in the Senate. I ask your close attention, Senators, to what I am now going to read from the speech of Senator GLASS, which was printed and distributed by the tens of thousands under the order of the deflation governor of the Federal Reserve Board. Senator GLASS said:

I pointedly deny that there was deflation of either regional reserve bank credits or any diminution of Federal reserve currency for the period of the appalling drop in prices of agricultural products. Instead of deflating credits and currency, the Federal reserve banks during the period of falling prices enormously expanded bank credits and increased the volume of circulating notes.

Here is what the Government's figures and records of the board itself show in refutation of what Senator GLASS said:

Loans, discounts, and bought paper held by all of the 12 Federal reserve banks May 28, 1920 (p. 748, Federal Reserve Board Bulletin of 1920), \$2,938,031,000.

August 31, 1921 (p. 1240, Federal Reserve Bulletin of 1921), \$1,527,255,000.

January 25, 1922, \$932,882,000.

Contraction of credits by 12 Federal reserve banks, May 28, 1920, to August 31, 1921, \$1,410,776,000.

May 28, 1920, to January 25, 1922, \$2,005,149,000.

Listen, Senators: Contraction of Federal reserve notes in circulation May 28, 1920, to August 31, 1921, \$625,555,000.

May 28, 1920, to January 25, 1922, \$923,020,000.

There is the Government's record and the bulletin itself issued by the Federal Reserve Board, showing that the speech circulated by the order of Governor Harding is at variance with the facts in the case. Yet the speech they have circulated denies my position upon that, though the figures I gave were taken from their very records by John Skelton Williams, who was himself at that time a member of the Federal Reserve Board and Comptroller of the Currency of the United States. They have circulated that speech, denying these facts and figures, spreading misinformation at a cost of nearly \$7,000, through the distribution of one hundred and forty thousand and odd copies of the speech in question.

Let me read another proposition in my speech which can not be refuted. There are many instances, but I will mention here just two, which clearly show how Governor Harding's deflation policy bestowed big favors on New York City, while it discriminated against and withheld financial aid from the people of the agricultural sections of the South and West. In the autumn of 1920 national banks in New York City were borrowing, in proportion to their total loans and discounts, three times as much from the Federal reserve system as all the 7,600 country national banks in the entire United States were borrowing at that time. In February, 1921, the Federal reserve system was lending to one bank in New York City three times as much money as 8 of the 12 Federal reserve banks were at that time lending on agricultural and live-stock paper to all their member banks in 28 States and parts of 5 other States, covering about two-thirds of the whole United States.

Senators, I am giving you the facts from the record. Yet the Federal Reserve Board is circulating a speech which bitterly criticizes me and defends its policy of deflation. It would not make any difference whether it was my speech or your speech, Senators; I take the position that this Federal Reserve Board has no right to circulate anybody's speech made in debate in this Chamber which involves charges of the board's bad faith or incompetency. What right have they to use the power of their positions to distribute the speech of the Senator defending their conduct when that speech contains criticisms of a Senator who has condemned their conduct? They have no

right to expend the bank's money, they have no right to expend the Government's money, they have no right to expend anybody's money to circulate such a speech or to have anything at all to do with the distribution of a Senator's speech which attacks and assails another Senator's position. I do not care whether I made the speech or some other Senator made it.

I am going to fight this thing out to a finish. The Senate must go on record upon this question. I take the position that the Federal reserve banking system must remain free from partisan controversies and political activities. It has no right to send a telegram out to the banks through the Federal Reserve Board suggesting that my speech or any other Senator's speech containing criticisms of another Senator should be printed and widely distributed. This is the position I take, Mr. President, and I am everlastingly right in that position. There is going to be a record made upon this subject to look many a Senator in the face before 1924 is ended, if not in the campaign of 1922. If I can help it, I do not intend that this banking system shall be permitted openly, boldly, and brazenly to plunge into politics and go into the business of becoming a propaganda bureau to distribute the speeches of one Senator assailing and attacking the position of another Senator.

In its reply one of the banks said they had no thought of trying to injure me when it circulated the speech attacking me. They did not say that when they sent the speech out. They commended it and gave it wide circulation. Senators who heard the speeches of Senator GLASS and myself know that the situation grew right warm and the debate very caustic at times, and the Senator from Virginia used pretty severe language in his indictments of my position in trying to controvert what I had asserted, and I in return did likewise.

That was a matter for the Senator and myself to settle upon this floor. But when a great banking system, supposed to be free from political activities and partisan controversies, comes in and picks up and distributes the speech of one Senator assailing and criticizing the position of another Senator, it is wrong, Senators, and it ought not to be tolerated.

This governor of the Federal Reserve Board assumes responsibility for sending out that speech, and I want an expression of the Senate upon his conduct in this matter. Here is what Governor Harding says over his signature:

The Federal Reserve Board assumes responsibility for commending this speech to the Federal reserve banks for circulation.

Mr. President, I hold that he violated the proprieties of his office, that he overstepped the bounds of the duties involved in his office, and that he transgressed all the rules of propriety which even touch remotely the duties of his high office. He had no business sending that speech out, or any other Senator's speech, involving a controversy between two or more Senators where he himself was on trial.

I had charged, and he can not disprove it, that he conducted a deflation policy that made millions of people poor and a few thousand people exceedingly rich. I have had letters even from the State of my good friend from Connecticut [Mr. McLEAN] that agree absolutely with my position. I have received letters from people in every State in the Union who agree with my position.

I have a letter here which I received just yesterday from Idaho, in which the writer said he had read my speech very carefully, and agreed with me absolutely. He referred to the deflation policy of the Federal Reserve Board as an infamous policy, and I submit that where a matter had been up for consideration in this body and had been discussed for months, and two Senators, one on one side and one on the other, both enthusiastically contend that they are right in the controversy, the Federal Reserve Board did wrong when it took the speech of one Senator to that controversy and circulated it over the United States.

Here is the letter to which I referred. It is from Rexburg, Idaho, addressed to me, and reads:

I have just finished a very careful reading of your speech on the Federal Reserve Board's deflation policy, which you so kindly sent to me—

He wrote me and asked me for it, and I sent it to him—recently, and it has cleared up a dozen difficult problems which have vexed my mind since the board adopted that policy. Your speech is a wonderful exposition of the infamy of that policy, and your arguments can not be answered.

I have scores—I have hundreds—of letters like that from citizens in the United States, and I read that much this morning and call this to the attention of the Senate for the purpose of showing that people are divided in opinion as to who is right, the Senator from Virginia or myself; and Senators in this Chamber are divided in opinion as to who is right. In the face of that fact, I hold that the Federal Reserve Board and

the Federal reserve banks have no right to take up the speech of one Senator and have it published and widely distributed at the expense of the banks or at the expense of the Government; and the Government would get part of this money, as I said, after expenses and dividends are paid.

I say to the Senate that 90 per cent of that money belonged to the Government, and out of \$4,690.84 these banks expended \$4,221.75 which belonged to the Government of the United States. Have we not come to a pitiful pass when a banking system has grown so big that the head of it can sit in the Capital and defy the Senate, pick out the speech of one of its Members defending the position of the Federal reserve banks and assailing the position of another Senator, and circulate 140,000 copies of the speech?

Mr. MCLEAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Connecticut?

Mr. HEFLIN. I yield.

Mr. MCLEAN. The Senator from Alabama admits, I assume, that his speech, or his speeches, delivered frequently, were attacks upon the Federal Reserve Board?

Mr. HEFLIN. Criticizing the policy of the board, arraigning the policy and the members of the board.

Mr. MCLEAN. That being so, I would like to have the Senator's opinion as to what rights the Federal Reserve Board would have if they desired to controvert or dispute those attacks?

Mr. HEFLIN. What rights?

Mr. MCLEAN. Yes; what rights would the Federal Reserve Board have to answer the Senator from Alabama? For instance, would they have the right themselves to prepare a reply and circulate it?

Mr. HEFLIN. They did that. The governor of the board frequently gave out statements trying to refute things I had said, and I never objected to it.

Mr. MCLEAN. The Senator concedes that they had that right?

Mr. HEFLIN. To give out statements to the newspapers, of course.

Mr. MCLEAN. Does the Senator concede they would have the right to employ counsel to advise them with regard to the matter if the attack were a serious one, or secure the assistance of anyone outside of the membership of the Federal Reserve Board? Does the Senator think they would have that right?

Mr. HEFLIN. They might, if the charges were serious enough—if they were on trial, if they were indicted, if impeachment proceedings were pending against them; and such proceedings ought to be pending against the governor of the Federal Reserve Board now.

Mr. MCLEAN. I think the Senator from Alabama has repeatedly stated that he thought the governor of the Federal Reserve Board should be removed. That is a pretty serious declaration to be made by a Member of this body. I would like to ask the Senator if he thinks the governor would have the right to send out a reply which he himself prepared or in the preparation of which counsel might have assisted, or a reply including a speech delivered on the floor of this Chamber by another Senator of the United States?

Mr. HEFLIN. Surely the Senator does not mean to insinuate that the Federal Reserve Board helped to prepare the speech which was delivered here in the Senate by the Senator from Virginia, does he?

Mr. MCLEAN. No; not at all. I am asking the Senator what difference it makes whether the Federal Reserve Board itself prepared the reply or whether it invoked assistance from outside including the speech delivered by a Member of this body? What difference does it make?

Mr. HEFLIN. The Senator from Connecticut does not seem to get the distinction which I am trying to make. I am taking the position here that the board had no right to take a speech made in this body, where one Senator criticized and assailed the position of another Senator, and circulate that speech which contained attacks upon another Senator.

Mr. MCLEAN. It does not cost any more to send out a reply delivered by a Senator of the United States than it does to send out a reply which they themselves might prepare. I assume one of the main objections which the Senator from Alabama is urging against the course is that the circulation of the speech cost a certain amount of money. The Senator will admit that it would not cost any more to send out the speech of the Senator from Virginia [Mr. GLASS] than it would to send out the board's own reply?

Mr. HEFLIN. Mr. President, the Senator does not get the point. I hope that other Senators have not failed to under-

stand me as the Senator from Connecticut seems to have done. He does not seem to get the point that in this Chamber where debates occur is the place to settle these questions. When one Senator assails another, the other Senator has an opportunity to answer him on this floor. But when the Federal Reserve Board takes the speech of one Senator, assailing and criticizing the position of the other Senator, and circulates thousands upon tens of thousands of copies of it, and then refuses to give to the other Senator the list of those to whom it was sent, in order that he may send them his speech so that the recipients may read both sides of the matter, the Senator can readily understand the position I take. The American people are going to understand it and they are going to condemn this act, and I am going to call upon the Senate of the United States to condemn it.

Mr. MCLEAN. It seems to me the Senator from Alabama in the position which he takes practically denies freedom of speech to the members of the Federal Reserve Board—

Mr. HEFLIN. Not at all, Mr. President.

Mr. MCLEAN. Because if they are entitled to make any reply at all they are entitled to embody in that reply quotations from any source which they desire. I can not see any difference or distinction between their right to quote the opinion of a private individual and their right to quote the opinion of a Senator of the United States.

Mr. HEFLIN. Mr. President, I am not responsible for that. The Almighty alone is responsible for that condition in the intellectual arrangement of the Senator from Connecticut.

Mr. MCLEAN. The Senator would not expect that they would include the speech of the Senator from Alabama. I take it that the Senator from Alabama, when he circulates his reply, will not include the speech of the Senator from Virginia.

Mr. HEFLIN. No. When people have asked for both speeches I have referred them to the office of the Senator from Virginia that they might have both speeches, but of course I am not able to send my speech out and pay thousands of dollars to send it to those who have read his speech, which was circulated at an expense which amounts to the equivalent of the salary of a Senator for one year. Here we are with this Federal reserve system, with this dreadful power, which is being turned into an agency of destruction and political propaganda, spending the Government's money, spending the banks' money to circulate the speech of one Senator attacking and criticizing the speech of another Senator who incurred the displeasure of the Federal Reserve Board, and a Government institution is being used to injure a Senator who has dared to criticize their conduct.

The Senator who is attacked in that speech is denied even the names of those to whom that speech was sent, and the Senator from Connecticut is more responsible for the denial than any other Senator in this Chamber.

Mr. MCLEAN. The Senator from Connecticut is perfectly willing to take the responsibility for his position in the matter.

Mr. HEFLIN. I am satisfied of that.

Mr. MCLEAN. The Senator has now returned to the question of expense. I thought the Senator from Alabama had admitted that the Federal Reserve Board would have the right to use their funds for the purpose of replying to an attack which involved moral turpitude or malfeasance in office of a serious nature, resulting in a demand on the part of a Senator of the United States that the governor of the board be removed from office. I understood the Senator to say the board would have the right to send out a statement in reply to such an attack.

Mr. HEFLIN. The board has a publicity propaganda going on all the time. They have a paper of their own, the Federal Reserve Bulletin. They print every utterance or every speech that the governor of the Federal Reserve Board makes if he wants it printed. That bulletin goes out to the business men of the country in every State of the Union. Why, they have the means of sending statements all over the country. The advisory council issued a pamphlet here months ago trying to answer my position, without mentioning my name and others, and mailed that broadcast. That is another way.

Here is a pamphlet [exhibiting] which I have just received entitled "Better banking under the Federal reserve system. A short story without figures. National Metropolitan Bank of Washington, D. C. Only national bank in the District of Columbia a member of the Federal reserve system."

The author has reference in this pamphlet to the year 1920 and is trying to answer in certain places some of the arguments I have made with reference to the deflation policy of the Federal Reserve Board. Ways to answer? There are thousands of ways. Who paid for the editorials which have

been written in the newspapers from time to time attacking my position wherever the Federal reserve bank has its influence?

Mr. McLEAN. Does the Senator want Congress to enact a law prohibiting the Federal Reserve Board or its members from replying to the attacks made upon their official acts?

Mr. HEFLIN. Not at all. I have said that they have a right to do it, but I am trying to get it into the head of my good friend from Connecticut that there is a difference in their having the National Metropolitan Bank of Washington to issue a pamphlet, or having another pamphlet issued by some other bank, or putting their statements in the Federal Reserve Bulletin, and, on the other hand, taking up a speech made in the Senate assailing the position of a Senator and sending that out over the country. I say they have no right to do it. When they do that they are transcending the bounds of their duties as Government officials and using their power to discourage and injure those who dare to criticize their conduct. The statement gotten out by the Metropolitan Bank of Washington said:

Moreover—

Talking about the Federal reserve system—

it provides the entire country with a great reservoir of credit from which farm and range, forest and mine, factory and store, may receive assistance in producing and marketing all the innumerable goods and wares which go to make up American commerce, industry, and agriculture.

That is the purpose for which we created the system. That is what it failed utterly to do in 1920 and in 1921. I have been attacking it for months and shall continue to strive to give the truth to the country with reference to that policy.

Mr. President, I am not objecting to the Federal Reserve Board officials giving out statements over its name about their policy answering my position. I expect them to do it if they can. But let them answer through the Federal Reserve Bulletin and newspapers and letters and speeches, as they have been doing. They have the opportunity through a man who is on the Federal reserve pay roll, now editor of a big daily, who closed his columns to and stopped printing material sent him by the president of the American Cotton Association, whose name I shall mention in this Chamber very soon. Talk about free speech and means of publicity! They have an expense fund and a pay roll there through which they can take care of all that.

I introduced and had passed a resolution calling on Governor Harding to know if they had a publicity fund, and he said "no." How did they get these things published? They do it by putting men on the pay roll. They call it doing work for the system, but really having them do newspaper work, and the banks and the Government pay for it. They have some fellow doing what they call economic research work, and he gets big publicity for the board.

Mr. McLEAN. Mr. President—

Mr. HEFLIN. I yield to the Senator from Connecticut.

Mr. McLEAN. The Senator just stated he had no objection to the Federal Reserve Board sending out a statement in reply to his attack, if done over its own signature. I want to get at just where the Senator would draw the line. Would the Senator object to the inclusion in that statement of quotations from speeches of Senators?

Mr. HEFLIN. That would depend on what it was they quoted. I should not favor permitting these Government officials to circulate at all the attack of one Senator upon another Senator.

Mr. McLEAN. Will the Senator please answer my question? Would the Senator object to the inclusion in that statement of quotations from other sources?

Mr. HEFLIN. Not if they personally paid for the postage and the matter circulated did not carry the criticisms of one Senator against another Senator.

Mr. McLEAN. I am talking about the principle; not the expense.

Mr. HEFLIN. The Senator does not seem ever to get the point I am making.

Mr. McLEAN. I get the point; but I would like to know just where the Senator would draw the line.

Mr. HEFLIN. I want the Senator to draw the line right here. When one Senator in this Chamber in debate arraigns the position of another Senator and criticizes the other Senator, and then the Federal Reserve Board takes that speech and circulates it, it is violating the proprieties that surround the duties of its office. Now, if the Federal Reserve Board itself wants to say in an article in the Federal Reserve Bulletin, in public speech, in newspapers, as it has done repeatedly, that "Senator HEFLIN is wrong in this contention and he is wrong in that," I have no objection on earth to it. If the Federal Reserve Board wants to write a letter and mail it out to anybody and everybody saying, "Senator HEFLIN's position is

wrong in this respect and that," I would have no objection. But when the Federal Reserve Board singles out the speech of one Senator defending its destructive deflation policy and criticizing and assailing the position of another Senator and mails that broadcast and spends thousands of dollars to do it, part of which I believe is Government money, I protest against it, and I ask the judgment of this body upon it.

I ask every man who sustains that action to confront his constituents and acknowledge that he voted to permit the Federal Reserve Board and banks to go into politics and to use the power of their offices to circulate the speech of a Senator pleasing in their sight when that speech contained criticisms against a Senator that they desired to punish and injure—

Mr. McLEAN. Mr. President—

Mr. HEFLIN. I yield to the Senator from Connecticut.

Mr. McLEAN. The Senator says he wants the judgment of the Senate on something. I am trying to get at just what he wants. Now, he admits he is willing that the reply issued by the Federal Reserve Board should contain a denial of the accuracy of the statement which was made by the Senator from Alabama. Is the Senator willing that that same statement should contain a statement of any other Senator replying to the Senator from Alabama?

Mr. HEFLIN. I will say this to the Senator from Connecticut: I used some pretty caustic language toward the Senator from Virginia in my reply here, and I do not think it would be right for the Federal Reserve Board or any other Government institution to circulate that speech. I do not think it would be fair to the Senator from Virginia for them to do it. If I want to circulate my speech, or if the Senator from Virginia wants to circulate his speech, that is my business and his business; but it is not for Government officials who are appointed for the specific purpose of running a great banking system and staying out of political controversies, to take my speech or the speech of the Senator from Virginia and circulate it. I would submit that proposition to the judgment of the Senator's own fair-minded constituents and be willing to abide by their decision on this point.

Mr. McLEAN. As I understand the Senator, he is willing that this reply should contain the opinion of anyone outside the Senate of the United States, but his contention is that the Federal Reserve Board would have no right in their reply to a vicious attack made by one Senator to include a statement made by another Senator on the floor of this Chamber? Is that right?

Mr. HEFLIN. Replying to that Senator's speech?

Mr. McLEAN. That is the position which the Senator takes?

Mr. HEFLIN. I have tried to state my position five or six times.

Mr. McLEAN. If that is the Senator's position, then, I have nothing further to say.

Mr. HEFLIN. I want to get my contention, if it is possible, clearly in the Senator's head. I am having great difficulty in doing it, however. It is a pretty hot day, but I am going to make another attempt.

Mr. McLEAN. It seems to be rather difficult for the Senator from Alabama to understand a very simple question.

Mr. HEFLIN. I think I understand the Senator and his position perfectly.

Mr. McLEAN. I am asking a question which I think is susceptible of a categorical answer, but up to date the Senator has avoided a reply.

Mr. HEFLIN. In order that there may be no mistake about my position, I am going to state it again. If the Federal Reserve Board should prepare an address of its own and mail out that address to the same people to whom the speech of the Senator from Virginia was sent, I should have no objection; if the Federal Reserve Board should write letters to the same people who received that speech disagreeing with the position taken by me in my speech, I should have no objection to that course; but I draw a distinction, and I believe that every Senator in the Chamber, save my friend from Connecticut, draws with me the distinction between that course and the Federal Reserve Board taking the speech of any Senator in this body in controversy with me or with the Senator from Connecticut and assailing the position of the Senator from Connecticut or my position and sending that speech out to the same people to whom the board had written letters or mailed its own statement. I hope the Senator can draw with me that distinction. In one instance the board would send out its own statement, and in the other it would send out the speech of a Senator in the United States Senate suggesting his views, giving the doctrine as he understands it, and replying to the position assailing the attitude of another Senator.

Such action on the part of the Federal Reserve Board is wrong; it is unfair; it is unjust.

Senators, some of you do not seem to understand it, but there is an awful spirit of unrest not only amongst the masses but also amongst the rank and file of the honest bankers in this country. I told the Senate the other day about a bankers' convention which was held out in the West, where a friend of Governor Harding secured the indorsement of Governor Harding through a resolution adopted by the convention, but when the bankers got home many of them wrote to a Republican Senator of this body and protested against Governor Harding's reappointment. The power of the banking system, which was intended to meet the business needs of the country and to prevent hard times and panic, was recently used to kill business in the South and West, and is now by intimidation seeking to have the governor of the Federal Reserve Board indorsed by the men whom he through deflation has pillaged and plundered.

I want to read, Senators, some excerpts from a letter from a national banker to the governor of one of our Federal reserve banks. I shall not give the name of the bank, though it is a national bank. The letter reads:

The \* \* \* National Bank hereby acknowledges receipt of your letter of the 6th instant, stating—"It has always been my sincere belief that in any organization the sane and sure way to achieve the welfare of the whole is to cultivate—

Listen, Senators—

among the component members a spirit of cooperation and mutual understanding," and requesting calls from any of its officers who may have occasion to visit—

I will not name the place—

In reply thereto permit me to say that this fine sentiment and manifestation of business friendship comes too late.

The \* \* \* National Bank—

Naming it—

through its more than 50 years of existence, coming in contact and having relations with great numbers of people and institutions, can not recall an instance where it received as bad treatment as it has received from your institution, and that notwithstanding the fact that it is one of your largest stockholders. It is not necessary to review the facts; they are well known to you.

Yes; the law compels us to do business with you. It places us in a state of virtual servitude to you, and you took advantage of the fact.

If we had any choice in the matter, we would, without hesitation, sever our connection with you entirely, but as we can not, we can only bide our time, hoping that there is still some justice left in this world, and that in the fullness of time would be meted out.

In the meantime, it would be pure hypocrisy for any official of ours to be paying you friendly visits.

Think of a great national bank which is a big stockholder in a Federal reserve bank writing a letter like that to the governor of the Federal reserve bank, its spirit crushed out, complaining of its ill treatment, and stating that if it could it would cease its relationship with the particular Federal reserve bank. Mr. President, the trail of that deadly deflation serpent is still visible, not only in the business of agriculture but throughout the banking area of the South and West.

Oh, Mr. President, there never was such a propaganda as is being now carried on to have this man W. P. G. Harding reappointed governor of the Federal Reserve Board; but he is not going to be reappointed. I have good reasons for saying that, and, as I have stated before, Senators will hear about it at the proper time.

Mr. President, the history of this matter is going to be interesting. It will not be many months until it is known. Senators can not waive this question aside. It is too big and serious. The little banker and the big banker in the system have been intimidated. They are sore and weary of the dictatorial power exercised by the governor of the Federal Reserve Board and those in Wall Street who control him. They are going to resent it, and ought to resent it.

I have shown Senators from the West how they loaned more money to one national bank in New York in February, 1921, than they were loaning in 28 States on agricultural and livestock paper. Do Senators know what they sought to do? They sought to whitewash this man, Governor Harding, to put rings on his fingers and bells on his toes and lull the people to sleep while they got him reappointed. They were going to laud him to the skies, and the subsidized press, or that portion of the press which they own bodily, are lauding him now. They have attacked and assailed me. Let them proceed. So long as God gives me strength to battle in this body the CONGRESSIONAL RECORD at least shall have the truth as to this issue. What do I care about their attacks. Thugs have been employed by crooks in high places to attack and murder men who dared to expose their criminal conduct, and I am not surprised to see the crowd that I am fighting hire spineless and conscienceless men to assail me and others who are pleading for

fair treatment of sixty-odd millions of people who are in distress at this hour because of the murderous deflation policy of the governor of the Federal Reserve Board.

The president of some bank in Philadelphia comes out and says that Governor Harding ought to be reappointed. If I were in that man's place, I suppose, perhaps I would indorse him, too. If Governor Harding had not permitted the progressive interest rate to operate in my section and kill business, rob farmers, and produce hard times, as it did, I might be singing his praises now, but it will be long after I have degenerated and gone down in the scale of being below the station which I now occupy under the grace of God before I will permit my own personal comfort or any other personal consideration to deter me in the work that I feel it my duty to do.

Mr. President, Wall Street is backing Governor Harding; Wall Street wants him reappointed governor of the Federal Reserve Board; Wall Street is singing his praises. A Wall Street editorial said if he were not reappointed it would be taken as a triumph for Senator HEFLIN in the fight which he has made. God knows there is not any personal triumph sought by me. This man is from my State; he was appointed as a Democrat. Senators know what sort of a Democrat I am, and when a Democrat is criticized by me you all know that his offense must be very grave. Senators on the other side know that; they know that I would excuse a great deal that was not serious in the conduct of a Democrat. I am a partisan Democrat; I try to be honest in my position, and, although Governor Harding hails from my State, I stand here as one of the Senators from Alabama, in my place, speaking in part for the whole people of that State, and say that this deadly deflation policy which he carried out cost Alabama between \$700,000,000 and \$1,000,000,000. Senators, that is a severe loss. I do not care whether the responsibility rests on a Democrat or Republican; if he has done wrong and been guilty of criminal conduct he ought to be condemned.

I wish to say to Senators on the other side that they will hear 10 years from now, 20 years from now, 50 years from now, and maybe longer, of the crime of deflation carried on in 1920 and 1921 by the Federal Reserve Board. We can not get away from the burning truth announced by Lincoln. God bless his memory.

I have referred heretofore in the Senate to a farmer in my State with 10 bales of cotton, worth 40 cents a pound, or \$200 a bale, who owed \$2,000, and who could sell his 10 bales and pay off the \$2,000 debt and go home with a clear receipt and clean bill of health. When, however, cotton was being marketed intelligently and gradually the deflation drive struck him, and when in conference at Birmingham Governor Harding flatly refused to back the farmer in holding his cotton to secure a price that would cover even the cost of production and yield a profit, down and down the price of cotton went. The farmer said, "It looks like the bottom is falling out; we can not get financial aid to hold it for a reasonable price." The spinner said, "I do not want to buy while it is going down so rapidly; it looks as though it will go much lower. I do not know what the other fellow may get his cotton for, and I am in competition with him in making cloth. If I knew that he would pay 30, 25, or 20 cents for his, I would pay that for mine, but if I should pay that for mine he may get his for 15. So I will stay out of the market." I saw the farmers' cotton business die under the deadly drive of deflation. Then what? It went down to 10 cents a pound, and then the banks with the \$2,000 indebtedness against the farmer were forced under the Federal reserve bank's deflation to pay it. "There is my 10 bales of cotton," said the farmer, "but for deflation I could pay you and clear the debt with my 10 bales of cotton; but now it will sell for only one-fourth of it"—10 cents a pound, \$50 a bale, \$500 for 10 bales, \$1,500 indebtedness hanging over him, and hanging over him now.

It will take four crops to pay it, when during the time of inflation, caused by the Federal Reserve Board, one crop would have paid it. My position is that under the circumstances he ought to have been permitted to discharge that debt with the circulating medium we had and the volume of money that was then moving around. This is what Mr. Lincoln said about it:

Any movement to artificially deflate before the debt can be paid, to change the medium of circulation upon which the debt was contracted, would be a crime.

I want those words from the immortal Lincoln to burn into the memory of the Senator from Connecticut.

He said further:

I warn the American people not to permit a repetition of the crimes of history. Following great periods of inflation, if drastic artificial deflation is attempted, disastrous results must follow. I warn them not to permit the money powers—

Do you get that, Senators—

to take advantage of the condition of the people. I warn them not to permit high, usurious interest rates, contraction of the currency, or any change in the circulating medium that will affect the debt contracted until it has been discharged.

That is what Lincoln said. Democrat that I am, I employ his language and I indorse that doctrine. What will this Republican Senate do to-day? Usurious interest rates? Senators, they raised the interest rate from 3 and 4 to 7 per cent, and then did what Lincoln said should not be done, and raised it to 8½ per cent to a bank of my State, and choked it to death when it was trying to live through that trying period. I assail the position of this Federal Reserve Board, and another speech assailing my position is distributed by the order of the governor of the Federal Reserve Board.

Mr. President, to the end that the Senator from Connecticut may know what I am driving at, I ask unanimous consent for the consideration of the resolution which I send to the desk and ask to have read in my time.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous consent for the present consideration of the resolution referred to by him.

Mr. SMOOT. Let it be read first.

Mr. HEFLIN. I will ask the Secretary to read it very slowly.

The PRESIDENT pro tempore. The resolution will be read.

The Assistant Secretary read the resolution (S. Res. 321), as follows:

Whereas the Federal Reserve Board is a Government institution, created by law for the purpose of exercising supervisory powers over the administration of the financial policies of the Federal reserve banking system; and

Whereas it was the purpose of those who created the Federal Reserve Board and the Federal reserve banks to keep them entirely free from political activities of every kind; and

Whereas from information obtained from the officials of the Federal reserve banks it appears that Governor Harding, of the Federal Reserve Board, was the prime mover in having printed and distributed many thousands of copies of a speech of Senator GLASS made in the Senate upon a controverted subject, involving charges against the conduct of Governor Harding and the Federal Reserve Board; and

Whereas other Senators have challenged the correctness of many of the arguments presented in said speech by Senator GLASS in defense of the Federal Reserve Board; and

Whereas the Senate itself is divided in opinion upon the subject, some Senators agreeing and others strongly disagreeing with the position taken by Senator GLASS in said speech; and

Whereas the said speech of Senator GLASS also contains some harsh and caustic criticisms of the position of another Member of the United States Senate who had criticized the conduct of the Federal Reserve Board; and

Whereas the Senate feels that the circulation by officials of the Federal Reserve Board or of the Federal reserve banks of the said speech of Senator GLASS is a wrongful exercise of the proper functions of said officials; and

Whereas the Senate feels duty bound to do everything in its power to keep the Federal Reserve Board and the Federal reserve banks true to the purposes of their creation; and

Whereas the Senate realizes the impropriety and grave danger of permitting members of the Federal Reserve Board and officials of the Federal reserve banks to participate in political and partisan activities; and

Whereas the Senate feels that in view of the part shown to be taken and admitted to be taken by the said Governor Harding, of the Federal Reserve Board, in having the said speech in question circulated, that he subjected himself to just criticism; and

Whereas the Senate feels that since the facts regarding the circulation by said Government officials of a speech made in the Senate which assails and criticizes the speech of another Senator and which involves a controversy regarding the conduct of said officials have been brought to its attention, that it owes a duty to itself, to the Federal Reserve Board, and to the people of the United States to express its opinion upon the conduct of Governor Harding in calling upon the officials of the Federal reserve banks to have printed and circulated the said speech of Senator GLASS: Therefore be it

Resolved, That the conduct of Governor Harding in this matter is a breach of the proprieties involving the duties of his office, and is therefore deeply regretted and disapproved by the Senate.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous consent to offer the resolution just read. Is there objection?

Mr. McLEAN. There is. I object.

The PRESIDENT pro tempore. Objection is made. The resolution will be returned to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I had the resolution read in my time, and it will at least appear in the Record in my speech.

Mr. McLEAN. Oh, I have no objection to that.

The PRESIDENT pro tempore. That is the necessary result. It requires no order of the Senate.

Mr. HEFLIN. I knew that it did not require an order, Mr. President. I must confess, however, that I did not know whether the Senator from Connecticut would object to that or not.

The PRESIDENT pro tempore. The Chair has not asked the Senator from Connecticut whether he would object or not.

Mr. HEFLIN. If he does object—

Mr. McLEAN. Mr. President, a parliamentary inquiry. My objection is to the immediate consideration of the resolution.

The PRESIDENT pro tempore. The objection of the Senator from Connecticut was to the offering of the resolution.

Mr. McLEAN. Oh, I do not object to that, but I object to its immediate consideration. I want it to lie on the table.

Mr. HEFLIN. Then, Mr. President, my resolution is offered or introduced and may be printed as other resolutions are printed.

The PRESIDENT pro tempore. If the Senator from Connecticut withdraws his objection—

Mr. McLEAN. I do.

The PRESIDENT pro tempore. And if there be no other, the resolution is received.

Mr. HEFLIN. Now, Mr. President, I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDENT pro tempore. Is there objection?

Mr. McLEAN. I object to that, Mr. President.

The PRESIDENT pro tempore. Objection is made, and the resolution will go over under the rule.

Mr. HEFLIN. I ask that the resolution as offered remain on the President's table, because I want to make an effort again to get it up in some way at some future time.

The PRESIDENT pro tempore. It will lie on the table under the rule.

Mr. HEFLIN. Now, Mr. President, just a word more. I tried to be very fair in writing that resolution. I consulted two other Senators. It simply recites the facts, and gives the Senate an opportunity to go upon record as to whether or not it wants to do that which will keep these banks and the Federal Reserve Board out of partisan controversies and political activities. I can not do anything with it at this time except by unanimous consent, and the Senator from Connecticut objects. I am powerless to proceed with it now. I do not see how he could object, Mr. President. If he were in my place, and somebody had made a speech assailing his position, severely criticizing the stand that he had taken, and he were to offer the resolution that I have offered, I would stand here and champion his cause and ask that the resolution be adopted. The resolution simply states that the governor of the Federal Reserve Board is reproved for calling upon the Federal reserve banks to circulate the speech of one Senator assailing the position of another Senator where his own official conduct is the matter in controversy; that the Senate declares what a large number of Senators in this body believe and will say on the record finally, that he breached the proprieties of his office, and that the Senate disapproves his conduct.

The Senator should approve or disapprove. I am fighting this battle, not for any personal triumph—God knows it is easier to sit down and be quiet in hot weather like this—but I am fighting from a sense of duty that the truth may be known. If the Senate dares to defeat that resolution, let it do it, and let the country know the Senate's attitude upon it. If there are any Democrats in this body who will vote against that resolution, let their names go in the Record. If there are Senators on the other side who will oppose it, let their names appear in the CONGRESSIONAL RECORD, so that next year, 5 years from now, 10, 20 years and more or whenever—this year or 2 years from now—the statesmen shall come, when the people will again take hold of the instrumentalities of their Government and not be held up and mulcted by the power of Wall Street as we are held up and mulcted to-day, they may know that there were those here at this time who fought this dangerous and deadly policy of dragging the Federal Reserve Board and banking system into politics. I repeat, I can not understand the strange conduct of the Senator from Connecticut.

Mr. McLEAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Connecticut?

Mr. HEFLIN. I yield to the Senator.

Mr. McLEAN. If my memory serves me correctly, I took an oath and every Member of this body took an oath to support and defend the Constitution of the United States. My impression is that that Constitution guarantees freedom of speech; and I think neither the Federal Reserve Board nor any official of that board should be deprived of that privilege at the request of a United States Senator. I think it would be beyond the power of Congress to do it if they wanted to. That is my position, and that is all that this controversy involves. The question is, Shall the governor of the Federal Reserve Board or any public official be denied freedom of speech when he is attacked by a United States Senator? The position of the Senator from Alabama is absurd.

Mr. HEFLIN. Mr. President, I refute the argument of the Senator from Connecticut and repudiate the position that he states as being my position. I demand free speech for every-

body—the Federal Reserve Board governor and the other members of the board. They have thousands of dollars to carry out their propaganda, as they do carry it out. The agents that are going around the country now, attending business men's conventions and bankers' conventions, getting up indorsements to have Governor Harding reappointed, are paid out of the earnings of the Federal reserve banks.

Their agents and the members of the Federal Reserve Board are going all over the country just now without expense to themselves trying to secure indorsements of Governor Harding.

Is that free speech, using a Government bank's money to carry on propaganda, paying the expenses of agents to further the interests of the governor of the board whose policy for the last two years has robbed millions of people? The Federal Reserve Board Bulletin is his own official document. They fill it full of stuff, and it goes out to various parts of the country. They have various periodicals. They have magazine articles written. They now have a man in New York employed in writing a history of legislation relating to the Federal reserve system. All that is being paid for out of the earnings of the Federal reserve system, part of which would go to the Government if not squandered for illegitimate purposes. They are building a bank in New York City costing twenty-odd million dollars, by the sanction of the Federal Reserve Board, in the distressing times in which we are now living. They are erecting bank palaces in New York alone costing more money than this Capitol and the House Office Building, made of marble, and the Senate Office Building, made of marble, and more than the State, War, and Navy Building all cost.

The Federal reserve banking palaces in New York are to cost more money than the Capitol, the Senate and House Office Buildings, and the State, War and Navy Building all cost, and this governor at the head of the Federal Reserve Board sanctions that, when men in my section and in the West can not get money with which to do business in order to live. That is what is going on.

Then they undertake to hide all this behind the suggestion of free speech for the Federal Reserve Board. They have free speech. They can write letters to everybody in the United States and pay for them, and nobody questions it. Governor Harding goes to every convention where they invite him and makes a speech. I am not trying to suppress free speech. I am interested in free speech. I am for it. I am opposed to allowing a Government official to take the speech of any Senator made in this body, criticizing and assailing the position of another Senator, where that Government official's conduct is the subject in controversy, and distribute it at the expense of Government institutions. That is my position, and I believe that every Senator in this body, with the sole and single exception of the Senator from Connecticut, understands my position.

Mr. President, he occupies a very unenviable attitude. He has been the means of denying to me the right to have the list of names to which the speech in question was sent without a nickel of expense to the man who made it. I asked for that list in order that I might have the opportunity, with some friends to help me, a few who still believe in right principles, and who are still courageous enough to speak out, to send my speech to them. He denied me that right by his objection, and would not permit the Senate to grant me the right to have these banks give me that list so that I could have my speech printed and sent out to them in the months to come.

The Senator from Connecticut is the handy instrument or guardian angel of the Federal Reserve Board's deflation policy. He never loses an opportunity to defend it. He was a bitter opponent of the Federal reserve banking system. It now operates entirely to his satisfaction, and he is for it as it is now manipulated and controlled by Wall Street. He is the author of the progressive interest rate amendment. He fathered that oppressive and deadly provision, and got it through this body, and it has wrought ruin to more people in the South and West and in the whole United States than any similar piece of legislation in all the history of the Government.

When that progressive interest rate was secured, Governor Harding appeared on the scene. Senator SMITH, of South Carolina, and other Senators told him it was a dangerous power. His lips trembled, Senator SMITH said, and turned white around the underlip, and he said, "We have to have it. New York is draining money out of the agricultural sections." Senator SMITH said, "If you apply it to the agricultural sections, you will ruin the South and the West. We will not have money sufficient to serve our needs at the crop-moving time to properly handle our products." He said, "That is exactly what I want it for. I want to apply it to these big cities that are

draining money out of the farming sections, so that the South and West will have money at the crop-moving time."

That amendment was passed, and its passage obtained under the circumstances, from some Members of the Senate at least, through deliberate deception and misrepresentation. It is now in the law books of the land, it is the law of the land, and it has destroyed the substance, the happiness, and the business of millions of American people.

That whole thing was inaugurated by Wall Street and conducted by Governor Harding, who was here begging and lobbying to get this progressive interest rate, through an amendment fathered by the Senator from Connecticut [Mr. McLEAN]. He is standing by this man, who is responsible for the poverty of millions, and to-day, when I showed to the Senate that they sent out a hundred and forty-odd thousand copies of a speech assailing my position in getting the facts of that record, the fact of how that amendment was gotten through, and how it is wrong for Government bank officials to do such things, the Senator from Connecticut [Mr. McLEAN] reaches the climax in his friendship and service to the Federal Reserve Board governor and his staff when he refuses to permit me to pass a resolution intended to keep the Federal Reserve Board and officials of the Federal reserve banks out of politics. I leave the Senator to the fair judgment of his own constituents and I submit the justice of my cause to the judgment of the upstanding, fearless, and incorruptible people of the United States.

Mr. McLEAN. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. McLEAN. I would like to ask the Senator from Alabama if the order for the printing in the RECORD of the replies of the Federal reserve banks has been entered?

Mr. HEFLIN. No; it has not. The Senator had better ask now that that be done.

Mr. McLEAN. I ask unanimous consent that the replies which have been received by the Senate to the questions embodied in the resolution of the Senator from Alabama be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

A communication from the Governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution 308, letters from the governors of the Federal reserve banks of Philadelphia, Richmond, and St. Louis, relative to the circulation of copies of the speech of Senator GLASS:

FEDERAL RESERVE BOARD,  
Washington, July 8, 1922.

SIR: The Federal Reserve Board transmits herewith letters from the Federal reserve banks of Philadelphia, Richmond, and St. Louis, in reply to Senate Resolution 308. Replies from the other banks will be forwarded as soon as received.

In transmitting this correspondence the board trusts that it may without impropriety avail itself of the opportunity to invite the attention of the Senate to certain matters which have a direct bearing upon the subject of the inquiry.

The corporate powers of the Federal reserve banks are defined in section 4 of the Federal reserve act, which provides, *inter alia*, that "every Federal reserve bank shall be conducted under the supervision and control of a board of directors," and that such directors "shall perform the duties usually appertaining to the office of directors of banking associations and all such duties as are prescribed by law."

The banking business is one which rests peculiarly upon the foundation of confidence. While true in the case of any bank, this is particularly true with respect to a Federal reserve bank, which is the sole custodian of the legal reserves of its member banks and the instrumentality through which is issued the country's fiduciary currency. Anything which tends to undermine public confidence in a bank, and in a reserve bank particularly, impairs its ability to perform its functions, and unless counteracted may defeat entirely the purposes of its organization. Therefore, those charged with the administration of a bank have the right and are impressed with the duty of using all legitimate means, when necessary, to protect its good name and to prevent any impairment of public confidence.

Criticisms of policy can not be objected to and have always been welcomed by the Federal Reserve Board, which has never imputed to itself infallibility of judgment. The board has been charged with the administration of a new and untried law, and has from the beginning been confronted with a series of difficult and unprecedented situations. When criticism is based upon the solid foundation of fact and understanding of the Federal reserve act and of banking principles it is useful; it is helpful to those charged with the duties of administration. To the Federal Reserve Board it has appeared, however, that for the past two years much that has been said under the guise of criticism of policy has not been intended to help, but to discredit the management of the Federal reserve system through attacks upon the integrity and purpose of members of the Federal Reserve Board and of officers and directors of Federal reserve banks.

These attacks have been so repeatedly made and have had such publicity as to justify the suspicion that they are part of a concerted movement against the Federal reserve system. The patience and forbearance with which members of the Federal Reserve Board and officers and directors of Federal reserve banks have borne these repeated attacks, many of them personally abusive, have been cited as an admission of the truth of charges made and have tended to raise in the minds of some who indorse the principles of the Federal reserve act, but who had no means of informing themselves as to facts, a ques-

tion as to whether there may not have been some foundation for the charge that members of the Federal Reserve Board and officers and directors of Federal reserve banks have been incapable and corrupt.

Beginning last summer insinuations and charges which had been made on the outside were repeated and amplified on the floor of the Senate of the United States, not merely once or twice but at frequent intervals up to the present time. This circumstance has caused a great amount of correspondence with persons asking for information, and board members, as well as officers and directors of Federal reserve banks, have had occasion frequently to consider whether there were any means which might appropriately be employed to inform the public as to the operation of the Federal reserve banks and the character of their management.

Respecting the constitutional prerogatives of the Members of the Senate, care has been taken to make no criticism of any Member thereof in any reply to letters of inquiry. This circumstance also has been construed as an admission of the truth of charges so frequently made on the floor of the Senate, some of which would have been resented as libelous but for the constitutional immunity above referred to.

Many quotations could be made from statements which have been printed in the CONGRESSIONAL RECORD during the past 12 months which are misleading and untrue, but their insertion would unduly extend this communication. The board has seen nothing to indicate that those who made these statements have ever corrected them.

Last January the junior Senator from Virginia, who was chairman of the Banking and Currency Committee of the House of Representatives which reported the bill creating the Federal reserve system, and who was afterwards Secretary of the Treasury and ex officio chairman of the Federal Reserve Board, made a speech on the floor of the Senate, in which he discussed at length the operation of the Federal reserve banks and the attitude of the Federal Reserve Board during the recent period of economic reaction and financial stress. The speech was delivered during parts of two days. A brief report of it appeared in the daily papers and requests followed for complete copies of the speech. Officers of Federal reserve banks, who for several months had felt themselves obliged to maintain silence while their motives and integrity were being assailed, deemed it not improper to avail themselves of the opportunity then presented to give to their correspondents and to others in their respective communities who had evinced an interest, or who were supposed to be interested in the economic questions dealt with, information which would enable them to draw their own conclusions.

The speech was a public document. Having been delivered on the floor of the Senate and having been published in the CONGRESSIONAL RECORD, the Federal Reserve Board felt that there could be no impropriety in the distribution of copies by the Federal reserve banks. The speech dealt so comprehensively with charges and statements which had been made in the same place and printed in the same publication that the board believed it should be given wide publicity. Having been informed that copies might be obtained from the Public Printer if ordered promptly, it was decided that the governor should send to each Federal reserve bank the following telegram:

"JANUARY 18, 1922.

"Think Senator GLASS'S great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday, 20th, and additional orders should be given to-morrow. Printing Office estimates cost of copies at from 5 to 7 cents each. Please wire promptly how many copies your bank wishes.

"HARDING."

[NOTE.—This estimate of cost was too high. In view of the great demand for the speech and the large number of copies printed, the cost per copy to each Federal reserve bank was approximately 14 cents.]

The Federal Reserve Board assumes responsibility for commending this speech to the Federal reserve banks for circulation. Neither the board nor the Federal reserve banks regarded the speech as being an attack upon any Senator and were not interested in it from that point of view. This speech was and is regarded by the board as a fair presentation of facts. It was commended to the banks for circulation because it was an answer made in the Senate Chamber to charges which had been made on the floor of the Senate. It is a clear exposition of the policies, functions, and operations of the Federal reserve system during a critical period and is an important contribution to current economic discussion.

Respectfully,

W. P. G. HARDING, Governor.

The PRESIDENT OF THE SENATE.

FEDERAL RESERVE BANK OF PHILADELPHIA,

July 6, 1922.

To the PRESIDENT OF THE SENATE.

SIR: In compliance with the request of the Federal Reserve Board we have the honor to submit herewith the following replies to the four questions asked in Senate Resolution 308.

1. The newspaper reports of Senator GLASS'S speech convinced the officers of this bank that the speech contained information which would be of interest and value to the bankers and business men of this district and that copies of the speech should be mailed to the (say) 11,000 names on the regular mailing list of this bank. The secretary of the Federal Reserve Board was therefore requested to order from the Public Printer and forward to us 11,000 copies of the speech.

2. The cost of procuring these additional copies from the Public Printer and of mailing the same was borne by this bank.

3. The total cost was \$423.11, which was charged as one of the current expenses of this bank, just as the monthly review of business conditions and other information circulated by the bank in pamphlets or circular letters is charged.

4. The Governor of the Federal Reserve Board wired to the chairman of the board of this bank the opinion that the speech might wisely be circulated, and advised him that the Government Printing Office would furnish copies of the same at from 5 cents to 7 cents each. This telegram was regarded by the officers of this bank as affording a prompt and economic means of putting into effect the determination which had already been reached to circulate the speech, as stated in answer to question No. 1.

I am,

Respectfully yours,

GEO. W. NORRIS, Governor.

FEDERAL RESERVE BANK OF RICHMOND,

July 7, 1922.

The PRESIDENT OF THE SENATE OF THE UNITED STATES,

Washington, D. C.

SIR: In obedience to Senate Resolution No. 308, transmitted to us through the Federal Reserve Board, I respectfully submit all the information in our possession called for in the following questions contained in the aforesaid resolution:

(1) At whose instance was the speech in question of Senator GLASS sent out?

Answer. At the instance and at the volition of the executive officers of the bank. (See answer to question (4).)

(2) At whose expense was said speech printed and distributed?

Answer. At the expense of the bank.

(3) How was the fund provided, and how many copies of said speech were sent out, and how much money was expended in printing and distribution of the said speech?

Answer. The expenses incurred in distributing the speech were charged to the current expenses of the bank, just as we charge the expense of distributing other matter of a similar nature intended for the knowledge, instruction, or benefit of the banking institutions and others interested and concerned in this district, and for the purpose of disseminating a knowledge and understanding of the operations of the Federal reserve bank and the system and promoting the growth of the Federal reserve system.

Ten thousand one hundred copies of said speech were obtained, and all have been distributed with the exception of a few copies—less than 100. The total expense in connection therewith, including the printing of the speech, postage, cost of envelopes, etc., was \$286.99, as nearly as may be determined.

(4) Did any member of the Federal Reserve Board suggest the printing and distribution of the said speech?

Answer. The following telegram, "Trans 169," was received from the Federal Reserve Board by the chairman of this bank: "Think Senator GLASS'S great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday, 20th, and additional orders should be given to-morrow. Printing Office estimates cost of copies at from 5 to 7 cents each. Please wire board promptly how many copies your bank wishes." (This telegram was signed in the name of the governor of the board, as usual.) To which the chairman of this bank replied as follows: "Governor Seay was in the act of wiring Senator GLASS for 4,000 copies when your message came. Please send us that number." (Six thousand one hundred copies were subsequently ordered.)

Prior to the receipt of the foregoing telegram, as will be evident in the reply thereto, the governor of the bank (as specified in question (1)), had determined to obtain copies of the speech and distribute them in the district, believing, from the account of the speech given in the newspapers, that it was the best exposition given to the public of the credit operations of the Federal reserve bank during the period which it covers and that it was well designed to inform the public of reserve banks' operations and to correct many of the statements which had come under our observation which were both misleading and harmful to the best interests of the system. In this opinion all the officers of the bank concurred.

Respectfully submitted,

GEO. J. SEAY, Governor.

FEDERAL RESERVE BANK OF ST. LOUIS,

July 5, 1922.

SIR: The Federal Reserve Bank of St. Louis has received through the Federal Reserve Board a copy of the resolution of the Senate (S. Res. 308) passed June 30, 1922, reading as follows:

"Whereas it has been charged upon the floor of the Senate that each and every one of the regional Federal reserve banks of the United States has had printed and distributed at its own expense a speech delivered in the Senate by Senator GLASS, of Virginia, in which the position of Senator HEFLIN on the deflation policy of the Federal Reserve Board was assailed and criticized: Therefore be it

"Resolved, That the Federal Reserve Board is hereby requested to call on all of said Federal reserve banks, except the Federal Reserve Bank of Atlanta, which has already reported to the Senate, to furnish to the Senate in writing all information in their possession, respectively, called for in the following questions:

"(1) At whose instance was the speech in question of Senator GLASS sent out? (2) At whose expense was said speech printed and distributed? (3) How was the fund provided, and how many copies of said speech were sent out, and how much money was expended in printing and distributing said speech? (4) Did any member of the Federal Reserve Board suggest the printing or distribution of the said speech?"

The replies of the Federal Reserve Bank of St. Louis to the questions in the resolution in their order as asked are as follows:

(1) The speech in question of Senator GLASS was sent out at the instance of the board of directors of the Federal Reserve Bank of St. Louis.

(2) The speech was printed and distributed at the expense of the Federal Reserve Bank of St. Louis.

(3) The fund was provided as all funds are provided that are necessary for the expenses of the operation of this bank.

Fifteen thousand copies of the speech were sent out. Money expended in printing amounted to \$250.79. The cost of distributing said speech was \$334.60. Total cost, \$585.39.

(4) For quite a while previous to this speech of Senator GLASS this bank had been calling to the attention of the Federal Reserve Board the desirability of having the public know the facts about the Federal reserve system, its organization, administration, and method of operation, so that the criticisms that had been made of the system from time to time could be explained to the public, and it could arrive at the true situation. Unless this could be done there was a possibility of dangerous unrest being stimulated, with the consequent disaster to the stockholding banks and business in general. When we saw the published report of the speech of Senator GLASS we decided that if the speech itself was the general statement of facts and explanation of the system it seemed to be, it was the thing that should be distributed. Later we received a telegram from the governor of the Federal Reserve Board suggesting that this speech might be what we were looking for and giving us the cost of printing. In the meantime many of our stockholding banks, having read the press reports of the speech, sent to us for copies, and after reading suggested

that it would be helpful to the general situation if it were broadly distributed.

This letter was read at the meeting of our board of directors held to-day and is sent with its full approval.

Respectfully,

D. C. BIGGS, *Governor.*

The PRESIDENT OF THE SENATE.

A communication from the governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution 308, letters from the Federal Reserve Banks of Cleveland, Chicago, and Kansas City:

FEDERAL RESERVE BOARD,  
Washington, July 19, 1922.

The PRESIDENT OF THE SENATE.

SIR: The Federal Reserve Board transmits herewith letters from the Federal Reserve Banks of Cleveland, Chicago, and Kansas City, in reply to Senate Resolution 308.

Respectfully,

W. P. G. HARDING, *Governor.*

FEDERAL RESERVE BANK OF CLEVELAND,  
July 7, 1922.

The honorable the PRESIDENT OF THE SENATE  
OF THE UNITED STATES,  
Washington, D. C.

MY DEAR SIR: There has been forwarded to this bank by the Federal Reserve Board copy of Senate Resolution 308 requesting certain information set forth in questions contained therein. Our answers to these questions are as follows:

1. The copies of Senator GLASS's speech that were distributed by the Federal Reserve Bank of Cleveland were sent out at the instance of the management of the bank.

2. The expense, which consisted of printing and postage, was paid by the bank, the total cost being \$203.32.

3. This expense was not taken from any special fund, but of this amount \$120.38, the cost of printing, and \$24.53, the cost of the envelopes, were charged to "printing and stationery," and \$58.41 to "postage." Seven thousand two hundred copies of the speech were ordered, 5,841 copies were mailed, 1,209 copies were given out to those who asked for them, and 150 copies are on hand.

4. Learning from news dispatches of the character of Senator GLASS's speech, and believing its general distribution would be desirable in this district to offset erroneous statements concerning the Federal reserve system, this bank, on its own initiative prior to the receipt of any communication from the Federal Reserve Board on the subject, inquired of the Federal Reserve Board by telegram as to when a complete copy could be obtained in order that a supply might be printed. In response to that telegram the Federal Reserve Board, through its governor, wired this bank commenting on the speech, the desirability of its circulation, and stated that the Government Printing Office was prepared to print additional copies.

Respectfully,

E. R. FAUCKER, *Governor.*

FEDERAL RESERVE BANK OF CHICAGO,  
July 5, 1922.

Re Senate Resolution 308.

The honorable the PRESIDENT OF THE SENATE  
OF THE UNITED STATES,  
Washington, D. C.

SIR: I am pleased to answer as follows the four questions contained in Senate Resolution 308, in so far as the Federal Reserve Bank of Chicago is concerned:

(1) Q. At whose instance was the speech in question of Senator GLASS sent out?

A. At the instance of the chairman of the board of directors and the governor of the Federal Reserve Bank of Chicago.

(2) Q. At whose expense was the said speech printed and distributed?

A. At the expense of the Federal Reserve Bank of Chicago.

(3) Q. How was the fund provided and how many copies of said speech were sent out, and how much money was expended in printing and distributing said speech?

A. (a) The cost of printing and distribution was charged to expense; (b) approximately 15,000 copies were sent out; (c) there was expended for printing \$250.79, for postage about \$150, and for envelopes about \$75, making a total expenditure of approximately \$475.

(4) Q. Did any member of the Federal Reserve Board suggest the printing or distribution of the said speech?

A. Yes; but the question of determining the action taken was left entirely to the discretion of the management of this bank.

If there is desired any further information that this bank can properly furnish, it will be cheerfully given.

Respectfully,

J. B. McDUGAL, *Governor.*

FEDERAL RESERVE BANK OF KANSAS CITY,  
July 7, 1922.

To the PRESIDENT OF THE SENATE,  
Washington, D. C.

DEAR SIR: Complying with the request as set forth in Senate Resolution 308, I have the honor to submit the following:

Question No. 1. At the instance of the officers and directors of the Federal Reserve Bank of Kansas City.

Question No. 2. The Federal Reserve Bank of Kansas City.

Question No. 3. Charged to general expense. The total cost of printing and distribution, including postage, was \$195.86.

Question No. 4. The suggestion came from Governor Harding, of the Federal Reserve Board, that on account of its educational features in elucidating the working of the system he thought general circulation of the speech advisable. This met the hearty approval of the directors and officers of this bank. Any part of the speech referring to Senator HEFLIN was no part of the purpose of this bank in giving Senator GLASS's speech publicity.

Respectfully,

W. J. BAILEY, *Governor.*

A communication from the governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution 308, letters received from the Federal Reserve Banks of Minneapolis and Dallas:

FEDERAL RESERVE BOARD,  
Washington, July 11, 1922.

The PRESIDENT OF THE SENATE.

SIR: The Federal Reserve Board transmits herewith letters received from the Federal Reserve Banks of Minneapolis and Dallas, in reply to Senate Resolution 308.

Respectfully,

W. P. G. HARDING, *Governor.*

FEDERAL RESERVE BANK OF MINNEAPOLIS,  
July 8, 1922.

Hon. W. P. G. HARDING,  
*Governor Federal Reserve Board, Washington, D. C.*

MY DEAR GOVERNOR HARDING: I will be obliged if you will transmit to the President of the Senate all of the replies in behalf of this bank to Senate Resolution No. 308.

1. The speech of Senator GLASS was distributed at the instance of the chairman of the board of directors and governor of the Federal Reserve Bank of Minneapolis.

2. The expense was charged to the Federal Reserve Bank of Minneapolis.

3. No fund is provided for such purposes, and the cost of distribution was charged to the expense of this bank in the same manner as the expense of any informative matter to members and other banks would be charged. There were sent to the banks of the ninth Federal reserve district 3,829 copies, and to them upon their order and request 5,033 additional copies, for miscellaneous circulation 451 copies, and on hand 187 copies, making a total of 9,500 copies, the printing cost of which was \$158.85, the cost of postage approximately \$90, and the cost of envelopes \$29, or a total cost of approximately \$277.85.

4. Yes. The attention of the chairman of our board was called to the speech, but the action, however, of this bank was taken because of the authoritative character, informative value, and comprehensive summary of Federal reserve operations which the address contained, and independent of suggestions from any source. Any additional information that this bank can properly furnish will be cheerfully supplied.

Yours respectfully,

B. A. YOUNG, *Governor.*

FEDERAL RESERVE BANK OF DALLAS,  
OFFICE OF THE GOVERNOR,  
July 7, 1922.

The PRESIDENT OF THE SENATE,  
Washington, D. C.

SIR: In response to Senate Resolution No. 308, in which all of the Federal reserve banks of the United States, except the Atlanta bank, were requested to furnish the Senate in writing all information in their possession, respectively, regarding the printing and distribution of a speech delivered in the Senate by Senator GLASS, of Virginia, you are respectfully advised:

(1) The speech of Senator GLASS in question was sent out under the direction and at the instance of the executive committee of this bank, in keeping with the policy which we have of occasionally supplying member banks and other banks and the commercial and civic bodies of the district with information covering the operations, functions, and facilities of the Federal reserve system and of this bank.

(2) The speech in question was printed and distributed at the expense of this bank.

(3) As indicated in my reply to the second question, the fund was provided by charging the same to our expense account and, therefore, came out of our earnings. A copy of the speech was sent to each of approximately 2,100 member and nonmember banks, trust companies, and private banks of the district. In addition to this number, about 400 copies were sent to commercial associations, clubs, civic bodies, and individuals of the district. We expended the sum of \$66.86 in paying for the printing of these speeches. The letter transmitting these copies of the speech (a copy of which letter is hereto attached) was printed in our own print shop, and the envelopes in which they were inclosed were also furnished by that department. We can only approximate the cost of printing these letters and the cost of the envelopes. This cost we estimate to be \$14.38. In addition to this we expended \$97.88 for postage, thus making an aggregate amount of expense of \$179.12, a portion of which is estimated.

(4) Before sending out the speech our committee had received from Governor Harding, of the Federal Reserve Board, an expression of opinion to the effect that it was desirable that Senator GLASS's speech be widely circulated.

Respectfully,

B. A. MCKINNEY, *Governor.*

FEDERAL RESERVE BANK OF DALLAS,  
February 9, 1922.

To all banks, bankers, and trust companies in the eleventh Federal reserve district, chambers of commerce, and Rotary clubs:

GENTLEMEN: Believing that it will be found of interest, I am pleased to inclose copy of a speech, "Truth About the Federal Reserve System," delivered by Hon. CARTER GLASS, Senator from Virginia, in the United States Senate on January 16 and 17.

Mr. GLASS's long service in the Congress as a member of the Committee on Banking and Currency and his administration of the Treasury Department as Secretary of the Treasury peculiarly fit him to discuss Federal reserve banking; in fact, I know of no one who has been a closer student of banking and currency in all its phases.

Yours very truly,

W. F. BANES, Jr., *Chairman.*

A communication from the governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution 308, a letter from the Federal Reserve Bank of Boston:

FEDERAL RESERVE BOARD,  
Washington, July 15, 1922.

SIR: The Federal Reserve Board transmits herewith letter from the Federal Reserve Bank of Boston, in reply to Senate Resolution 308.

Respectfully,

W. P. G. HARDING, *Governor.*

The PRESIDENT OF THE SENATE.

FEDERAL RESERVE BANK OF BOSTON,  
July 13, 1922.

DEAR SIR: In response to a resolution passed by the Senate of the United States (S. Res. 308), a copy of which was transmitted to the Federal Reserve Bank of Boston by the Federal Reserve Board, the Federal Reserve Bank of Boston hereby submits the following answers to the questions contained in that resolution:

1. At whose instance was the speech in question of Senator GLASS sent out?

Answer. On January 18, 1922, the following telegram was received at the Federal Reserve Bank of Boston:

WASHINGTON, D. C., January 18, 1922—4.15 p. m.

CURTISS.

Trans. 169. Think Senator GLASS's great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday, 20th, and additional orders should be given to-morrow. Printing Office estimates cost of copies at from 5 to 7 cents each. Please wire board promptly how many copies your bank wishes.

HARDING, 4.35 p. m.

2. At whose expense was said speech printed and distributed?  
Answer. The expense of printing and distribution of this speech in this district was borne by the Federal Reserve Bank of Boston.

3. How was the fund provided, and how many copies of said speech were sent out, and how much money was expended in printing and distributing said speech?

Answer. The cost of the copies of this speech and of the distribution was charged to the expense account of the Federal Reserve Bank of Boston. There were 17,960 copies distributed, at a total cost of \$546.74.

4. Did any member of the Federal Reserve Board suggest the printing or distribution of the said speech?

Answer. No member of the Federal Reserve Board suggested the printing and distribution of this speech.

Very truly yours,

CHARLES A. MORRIS, Governor.

To the PRESIDENT OF THE SENATE,  
Washington, D. C.

A communication from the governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution No. 308, a letter from the Federal Reserve Bank of New York:

FEDERAL RESERVE BOARD,  
Washington, July 14, 1922.

THE PRESIDENT OF THE SENATE.

SIR: The Federal Reserve Board transmits herewith letter from the Federal Reserve Bank of New York in reply to Senate Resolution No. 308.

Respectfully,

W. P. G. HARDING, Governor.

FEDERAL RESERVE BANK OF NEW YORK,  
July 12, 1922.

THE PRESIDENT OF THE SENATE,

Washington, D. C.

SIR: The Federal Reserve Board has transmitted to the Federal Reserve Bank of New York a copy of Senate Resolution 308, and has requested this bank to furnish to the Senate in writing all information in its possession called for in the questions contained in that resolution. The following answers are submitted in response to the questions:

1. At whose instance was the speech in question of Senator GLASS sent out?

The decision to send out the speech of Senator GLASS was made by the officers of the Federal Reserve Bank of New York, and their action was later approved by its board of directors.

2. At whose expense was said speech printed and distributed?  
At the expense of the directors of the bank.

Inasmuch as the speech dealt in part with charges which had been made against the integrity and good faith of the directors and officers of the Federal Reserve Bank of New York in the management of the bank's affairs, the directors preferred to have the distribution of the speech made at their personal expense, rather than at the expense of the bank.

3. How was the fund provided, and how many copies of said speech were sent out, and how much money was expended in printing and distributing said speech?

Approximately 23,275 copies were sent out to banks in this district, to persons on the mailing list of this bank's Monthly Review of Business and Credit Conditions, and to those who had requested copies of the speech. The printing expense, amounting to \$417.98, and the distribution expense for postage and envelopes, amounting to \$310.44, were divided equally among the directors of the bank and paid by them.

4. Did any member of the Federal Reserve Board suggest the printing or distribution of the said speech?

The following is a copy of a telegram, dated January 18, 1922, from the Federal Reserve Board which prompted the officers of this bank to consider taking the action referred to in the answer to question 1:

"Trans. 169: Think Senator GLASS's great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday 20 and additional orders should be given to-morrow. Printing Office estimates cost of copies from 5 to 7 cents each. Please wire board promptly how many copies your bank wishes.

"HARDING."

Respectfully,

BENJ. STRONG, Governor.

A communication from the governor of the Federal Reserve Board transmitting, pursuant to Senate Resolution 308, a letter from the Federal Reserve Bank of San Francisco:

FEDERAL RESERVE BOARD,  
Washington, July 18, 1922.

THE PRESIDENT OF THE SENATE.

SIR: The Federal Reserve Board transmits herewith letter from the Federal Reserve Bank of San Francisco in reply to Senate Resolution 308. With this all of the information requested in the resolution of the Senate has been transmitted to the Senate.

Respectfully,

W. P. G. HARDING, Governor.

FEDERAL RESERVE BANK OF SAN FRANCISCO,  
July 12, 1922.

To the PRESIDENT OF THE SENATE,  
Washington, D. C.

SIR: In response to resolution of the Senate of the United States (S. Res. 308), we furnish below information covering the four questions asked in that resolution:

1. At whose instance was the speech in question of Senator GLASS sent out?

Information was received by telegraph from the Federal Reserve Board on Wednesday, January 18, 1922, that Senator GLASS had on January 16 and 17 delivered a speech in the Senate on the Federal reserve system. Since the organization of the Federal Reserve Bank of San Francisco on November 16, 1914, it has occasionally circulated at its own expense copies of speeches delivered by members of the Federal Reserve Board elucidating the provisions of the Federal reserve act, and explaining the functions and purposes of the Federal reserve system. In conformity with this established practice, and believing that a clearer understanding of the Federal reserve system would be promoted by an analysis of the provisions and intent of the Federal reserve act by the person who was chairman of the House Committee on Banking and Currency at the time of the passage of the act, and who was later the chairman of the Federal Reserve Board, the chairman and governor of this bank, in consultation, agreed that it would be desirable to circulate this speech, and on January 18, 1922—the same day the telegram was received from the Federal Reserve Board—telegraphed an order for 20,000 copies.

2. At whose expense was said speech printed and distributed?  
At the expense of the Federal Reserve Bank of San Francisco.

3. How was the fund provided, and how many copies of said speech were sent out, and how much money was expended in printing and distributing said speech?

(a) Charged to operating expense of this bank.

(b) Twenty thousand copies of this speech were ordered: 12,200 copies were mailed; 7,200 sent by parcel post and local delivery; about 600 copies now remain on hand.

(c) The printing and distributing costs were as follows:

1. Printing (charges of Government Printing Office)..... \$334.38  
2. Distribution:

Stamps—		
Postage on 12,200 copies, at 2 cents.....	\$244.00	
Parcel post and local delivery.....	20.00	
		264.00
Envelopes, 12,200, at \$6.79 per 1,000.....		82.83

Actual monetary outlay on part of this bank..... 681.21

The labor involved in the distribution was done in spare time as "fill-in" work, and therefore involved no employment of additional clerks and no additional compensation.

An estimate of the value of the time involved, if an outside agency had been employed, is as follows:

292 hours listing and typing names.....	\$146.00
83 hours addressing envelopes by typewriter.....	41.50
14 hours stamping envelopes, 2 hours addressograph, 27	16.12
hours inclosing.....	
Total.....	203.62

4. Did any member of the Federal Reserve Board suggest the printing or distribution of the said speech?

The telegram mentioned in the answer to question (1) above was signed by Governor Harding, as is usual in messages from the Federal Reserve Board. A copy of it, of our reply thereto on the same day, and of a subsequent telegram dated January 24 from the assistant secretary of the Federal Reserve Board, which constitute the entire correspondence between the board and this bank on the subject, are attached hereto.

Respectfully yours,

WM. A. DAY, Deputy Governor.

FEDERAL RESERVE BANK OF SAN FRANCISCO,  
January 18, 1922.

(Translation of telegram received from Governor Harding, Reserve Board, Washington, to Mr. Perrin, Federal Reserve Bank of San Francisco.)

Kindly acknowledge receipt of this telegram No. 165.

Think Senator GLASS's great speech defending Federal reserve system should be widely and promptly circulated. Government Printing Office will print special copies of it Friday, 20th, and additional orders should be given to-morrow. Printing Office estimates cost of copies at from 5 to 7 cents each.

Please wire board promptly how many copies your bank wishes.

HARDING.

(Telegram sent over leased wire from Federal Reserve Bank of San Francisco to Harding, Reserve Board.)

January 18, 1922.

Desire 20,000 copies of Senator GLASS's speech. Please wire dimensions of page so we may prepare and address envelopes here for prompt distribution. How soon may we expect shipment?

PERRIN.

(Translation of telegram received from Mr. Eddy, Reserve Board, Washington, to Mr. Perrin, Federal Reserve Bank of San Francisco.)

FEDERAL RESERVE BANK OF SAN FRANCISCO,  
January 24, 1922.

In order that the proper department of your bank may begin addressing envelopes in connection with distributing copies of speech of Senator GLASS referred to in Governor Harding's transaction 165, January 18, 1922, you are advised envelope of sufficient size to inclose pamphlets 6 by 9½ inches, containing 48 pages, should be used.

EDDY.

THE TARIFF.

Mr. SMOOT. Mr. President, we have had an hour and fifty-five minutes excursion into Wall Street, and I hope that the balance of the day may be put in upon the tariff bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to

regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. SMOOT. I send to the desk an amendment to paragraph 1003.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The ASSISTANT SECRETARY. In paragraph 1003, jute yarns or roving, on page 132, line 11, the Senator from Utah proposes to strike out "9 cents per pound" and insert in lieu thereof "7 cents per pound, but not more than 40 per cent ad valorem."

Mr. MOSES. I move to amend the amendment of the committee by striking out "40" and inserting "35," so that it will read, "7 cents per pound, and not more than 35 per cent ad valorem."

Mr. ROBINSON. Mr. President, I would like to test the sense of the Senate by proposing an amendment to strike out "40" and insert "20." Under the parliamentary practice I will ask the Senator from New Hampshire to withhold his amendment until my amendment can be disposed of, if he will kindly do that.

Mr. MOSES. I will withhold it, Mr. President.

Mr. ROBINSON. I offer the following amendment to the committee amendment just proposed by the Senator from Utah [Mr. Smoot], to strike out "40" and insert in lieu thereof "20," and upon that I desire to be heard.

The PRESIDENT pro tempore. The Chair understands that the Senator from New Hampshire has withdrawn the amendment proposed by him to the committee amendment. The Secretary will state the amendment just proposed by the Senator from Arkansas to the committee amendment.

The ASSISTANT SECRETARY. The Senator from Arkansas proposes to amend the amendment of the committee by striking out "40" and inserting "20," so that as amended it will strike from the bill on line 11 the words "9 cents per pound," and insert "7 cents per pound, but not more than 20 per cent ad valorem."

Mr. ROBINSON. Mr. President, I hope the Senate may proceed now to the consideration and disposition of the items in this paragraph as rapidly as may be consistent with their proper determination.

The Senator from Utah [Mr. Smoot], on July 18, 1922, which was and still is the legislative day of April 20, proposed a large number of amendments to this schedule, and they were printed. No opportunity to consider those amendments had been afforded the Senate prior to that time. This morning, after the Senate convened, my attention was called to the amendment recently submitted by the Senator from Utah, which seeks to place a maximum duty on certain classes of jute yarns at 40 per cent ad valorem. I have been looking into the amendment now proposed by the Senator from Utah on behalf of the committee with the assistance of a very able expert upon the subject, and I want the Senate to understand just what the effect of this amendment will be if it is agreed to.

Under the Underwood Act the rates on jute yarn are 15 per cent and 20 per cent, respectively, applied to the coarser and finer grades. Under the act of 1909 the rates are equivalent, approximately, to 32 and 35 per cent ad valorem. Under the proposal now submitted by the Finance Committee the maximum rate will become the actual rate, or approximately, say, 40 per cent as to the class to which the amendment applies.

There is no maximum limitation proposed by the committee as to the second class of yarns embraced in the paragraph, and I am informed that the ad valorem equivalent for the rate proposed therein is approximately 50 per cent. Under the present rates, which I have already stated to be 15 and 20 per cent, respectively, applied to the finer and coarser jute yarns, there have been only limited amounts imported. Upon examination of the tariff survey I find the following statement at page 19 of the report relating to yarns, threads, and cordage of vegetable fibers other than cotton:

At no time during the last 30 years has domestic production of jute yarn been subject to foreign competition of a formidable character. The average annual importation during the last 30 years has been 1,757,223 pounds, whereas the annual consumption of jute in the United States, which is a fair approximation of our output of yarn, has usually ranged between 200,000,000 and 250,000,000 pounds. Thus, less than 1 per cent of our consumption of yarn is imported. This situation has existed even though Dundee, the source of practically all of our imports, has possessed at least two important advantages over the domestic industry—(1) lower labor costs, and (2) lower first costs, i. e., of mill and equipment.

The report then proceeds to discuss in some detail the conditions of the industry and the advantages which the American industry has over the foreign industry. It is said:

That the tariff has been a factor in offsetting these disadvantages to the American industry is, of course, obvious, but there has been other counterbalancing advantages:

1. The specialization of Calcutta and Dundee wholly or largely on jute cloths has undoubtedly been a factor in stimulating our domestic production of jute yarn for other purposes, such as carpet, twine, and cordage. A special opportunity has existed for development along these lines. Because of their lower labor costs, Calcutta and Dundee have preferred to specialize in the production of jute goods requiring a maximum of labor of such skill as is available to them. Calcutta labor, being comparatively unskilled, has been utilized to the maximum degree by weaving the yarn into coarse burlaps and sacking. Such goods, while requiring more labor than does the production of yarn, have not required skill beyond that attainable by native labor under proper supervision, and because of the immense demand, have offered the greatest opportunity for mass production. Dundee labor, possessing much greater skill, has been utilized so far as possible in production of finer jute cloths and specialties, though her exports of yarn have also been considerable.

2. Jute yarns for carpet, twine, and cordage are, for the most part, coarser than those used in burlap. Since the labor cost increases with the increasing fineness of the yarn, it is apparent that carpet and cordage yarns can be produced here at a smaller disadvantage of labor cost than can yarns for burlap.

3. Much of our jute twine and cordage, and some of our carpet yarn, is produced by large cordage concerns which make both hard-fiber and soft-fiber cordage, with many of the resultant economies of large-scale organization. The domestic cordage industry is an old and well-established industry.

4. The existence of a large domestic carpet industry has afforded a large outlet, close at hand, for carpet yarn.

5. On coarse yarns for cotton bagging our labor disadvantage has been at a minimum, and the domestic production in the past of practically all of our bagging requirements has naturally required a large production of such yarn.

As already stated, the rates under the Underwood law on jute yarns are 15 and 20 per cent ad valorem, respectively. The specific duties proposed in the Senate committee bill will average about 50 per cent equivalent ad valorem. The Senate committee amendment giving a maximum duty of 40 per cent means practically a straight 40 per cent ad valorem duty. It is, therefore, proposed in the amendment of the Finance Committee last submitted to more than double the duties on jute yarns, although we produce more than 99 per cent of our requirements. This increased duty must result in an added burden to the users of jute yarn, particularly the carpet manufacturers, who are the chief users.

The duty on the cotton yarn runs from 5 to 27 per cent ad valorem. I inquire why jute yarn, then, should bear an equivalent of a straight ad valorem rate of 40 per cent? Under the present rate, less than one-half that proposed by the committee, importations are very small, less than 1 per cent of the consumption. Under no theory, then, with which I am familiar, taking the theory of protection as ordinarily applied, can the rates now proposed by the Finance Committee be justified. Their only effect will be to prohibit importations entirely, to operate as an embargo, or to place an additional burden—an unjust additional burden, in view of the facts which I have stated—upon the users of this very essential, if not indispensable, commodity.

The Senator from New Hampshire [Mr. Moses] has indicated his purpose to propose an amendment to the committee amendment, if the occasion arises, reducing the ad valorem maximum as to the first class of jute yarn from 40 per cent, as proposed by the Finance Committee, to 35 per cent. While, of course, that would be better from my standpoint than the proposition of the committee, in my opinion and from my study of the subject I believe the reduction which his amendment proposes is not adequate to meet the necessities of the trade.

Mr. MOSES. Mr. President—

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Arkansas yield to the Senator from New Hampshire?

Mr. ROBINSON. I yield.

Mr. MOSES. I do not wish the Senator from Arkansas to misunderstand the purpose of my amendment. The purpose of the amendment is not to strike down protection on jute yarns, because I believe in it. The purpose of my amendment is to make the entire series of schedules in the bill symmetrical and to secure the same differential on the manufactures of jute that we have upon the other fabrics.

Mr. ROBINSON. I agree with the Senator that his position as stated is entirely consistent with the theory of protection. I know the Senator does favor protection, and I had not intended to say anything that would reflect upon the integrity of his position as a protectionist. I have already stated that there ought to be a consistency between the rate on jute yarns and the rate on other yarns with which jute yarns may come in competition. I have already pointed out the fact that under the rates already adopted in the cotton schedule the range is from 5 to 27 per cent ad valorem on cotton yarns and, therefore, to accomplish the very purpose which my friend the Senator from New Hampshire has in his mind, I have suggested an amendment considerably lower than the amendment which he has stated he has in mind, but which I think will much better

effectuate the purpose it espouses than the amendment which he proposes.

Mr. MOSES. The result of the amendment of the Senator from Arkansas will be to make a much greater differential upon the finished cloth, but it will entirely destroy the purpose which I have in mind, which is to have a symmetrical arrangement of the duties on yarns with the duties on the fabrics. All I am asking is to secure an adequate and symmetrical arrangement of the differentials.

Mr. ROBINSON. I go further than the Senator from New Hampshire. I maintain that the rates in this paragraph are excessive, and that they ought to be reduced and that the rates on manufactures should also be reduced. At the time when the parliamentary situation permits it, in all probability amendments will be offered for that purpose. But since the question is before the Senate now I want to know what can be the justification for the imposition of a 40 per cent ad valorem duty on jute yarns of this class when under the existing law the rates are only 15 and 20 per cent, and when there are no importations under that lower rate. I have given considerable thought to the question and read such information as is available in the report of the Tariff Commission. Already there has been pointed out the inconsistency in levying a high ad valorem rate on jute yarns out of proportion to the rates levied on cotton yarns.

Mr. SMOOT. Mr. President, if the amendment of the Senator from Arkansas were adopted without any other changes in the rates provided for under the different sizes of thread, the finest yarns would carry a rate on to-day's prices of 2.8 cents a pound. We have provided on "20 pound up to but not including 10 pound" a rate of 4 cents per pound.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. ROBINSON. The rate I proposed is the rate under the Underwood law.

Mr. SMOOT. I am aware of that, and I take it for granted that if the 20 per cent proposition should carry, then every one of the specific rates would have to be changed accordingly. The Senator will notice that the 40 per cent only applies to fine yarns.

Mr. ROBINSON. Certainly; but the Senator will also notice that under the parliamentary status I am not permitted at this time to offer the other amendments which would be made necessary if this amendment were agreed to. I will offer the necessary amendments to make other provisions in the paragraph conform to this amendment when the committee amendments have been disposed of. The same thing has happened as to almost every other amendment we have considered. There is a relationship between these provisions, and when one of them is changed it frequently becomes necessary to change the others. My position is that they ought to be changed; that they are all too high; that there is not a fact which can be stated, there is not a statement in the report of the Tariff Commission, there is not a statement in the testimony of any witness which justifies the imposition of these very high rates on jute yarn.

Mr. SMOOT. I do not want the Senator to think that I was criticizing what he said or criticizing his position. I recognize the Senator could not offer the amendments at this time, and I only made the statement in order that the Senate might understand the situation.

Mr. President, conditions affecting the jute business have changed of late. American manufacturers are leaving America and going to Calcutta, India, and establishing industries there. I wish to call attention to the fact that in 1910, under the Payne-Aldrich Act, our importations amounted to 5,919,086 pounds of jute yarn. In 1921 they had increased to 9,032,441 pounds. The consumption in 1914 of long jute yarns and also jute butts amounted to 242,701,000 pounds. The committee did not decide to report the latter part of this amendment which reads "but not more than 40 per cent" until the other day. The finer yarns have dropped in price until they may be purchased to-day for 14 cents a pound. A duty of 7 cents a pound on a price of 14 cents is equivalent to 50 per cent ad valorem. Under to-day's prices, because those yarns have decreased in value very rapidly of late, the committee did not desire to place any rate of duty upon those yarns to exceed 40 per cent. Therefore that limitation has been made.

The object that the Senator from New Hampshire [Mr. Moses] has in mind is to give a differential between the duty upon yarn and the duty upon the cloth made from the yarn which is found in paragraph 1008a, which is the provision de-

signed to take care of linings. The committee decided to cut that rate. The Senator from New Hampshire desires still to have a 15 per cent differential; in other words, if a rate of 40 per cent is imposed on the yarns, the Senator from New Hampshire thinks there ought to be a duty of 55 per cent on the cloth made from them, or a differential of 15 per cent. The committee, however, has recommended a rate of 40 per cent on the yarns and 50 per cent on the cloth, or a differential of only 10 per cent.

The Senator states that he does not know of any conditions existing that would justify the rates which are proposed to be imposed in this bill. The specific rates of duty on single yarns herein provided represent the difference between the mill selling price of foreign yarns and competing domestic yarns. The rates are dependent upon the pound number. The pound number is based on the yardage from spindles of 14,400 yards. The system of numbering is explained in detail in paragraph 1, page 907 of the Summary of the Tariff Information for 1921. I shall not take the time of the Senate to call attention to that system in detail. Competition at present is principally from Dundee, but competition is likewise feared from Calcutta, India. In support of this contention reference is made to detailed lists of manifests of vessels cleared at the Calcutta customhouse for foreign ports from April 17 to May 13, 1922, wherein the manifests of vessels clearing for Boston show shipments of jute yarn to the extent of 16,124 pounds. I have those manifests here, showing the number of pounds shipped and also the prices at which they are invoiced. These shipments represent the initial importations of an American firm which has recently erected yarn and weaving mills in Calcutta, India. In passing I wish to say, Mr. President, that the firm referred to is the Ludlow Co. If their undertaking is successful—and I have not any doubt but that it will be—they intend to transfer the making of all jute yarns as well as cloth from America to Calcutta, India.

Mr. MOSES. Mr. President, may I interrupt the Senator at that point?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Hampshire?

Mr. SMOOT. I do.

Mr. MOSES. I wish to point out to the Senator that by granting to the manufacturer the additional differential for which I am asking the purpose to transfer the American industry to Calcutta will be thwarted.

Mr. SMOOT. To the extent of 5 per cent more than the committee has provided.

This competition, as the Indian spinner becomes more proficient in the spinning of jute yarn of a quality required by the American users, will seriously affect the American producer of jute yarn. The attention of the Senate is directed to the tremendous difference in the cost of spinning such yarns in India as compared to the cost in the United States. Indian wages are as follows, as shown on page 77 of the Tariff Commission's report on jute cloths, the rupee being equivalent to 32.4 cents: Carders receive \$0.892 per week; rovers \$1.75 per week; and spinners \$1.40 per week. The wages prevailing in this country are approximately twice the wages in years preceding the war, and it is therefore fair to assume that the wages herein stated will materially decrease as more normal conditions obtain.

As against the wages paid in India, one of the largest American mills in January, 1921, paid carders \$14.65 a week, and paid rovers \$18.60 per week. The wages paid to American operators were on the basis of a 48 to 55 hour week. By the terms of the Indian factory act, passed in 1912, 12 hours constitute a day's work; in other words, the wages paid in the United States in the jute-spinning industry are approximately ten times as great as the wages paid in Indian spinning mills. In India the cards make just as many revolutions per minute, the mules go in and out just as many times, the handling of the product is done by machinery, with the exception of the hand labor which is necessary in case of any breakdown in the threads in the mule or in the roving of the yarn.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. ROBINSON. I myself pointed out during the course of the brief remarks I made on this subject that there was a wide difference between the cost of labor in India and the cost of labor in the United States applicable to the jute-spinning industry; but the Senator from Utah, notwithstanding that fact, must admit that India is not competing with the American spinners of jute. It never has done so, and there is no prospect that it will do so in the near future.

Mr. SMOOT. The importations for 1921 were twice the importations of 1910, and, not only that, but the manifests we have here, if they are correct and if the prices which are invoiced are correct, show that there is no question but that jute yarn is going to be imported in large volume in the future.

Mr. ROBINSON. Of course, the Indian industry is engaged principally in the manufacture of burlap and other materials of that nature, and it has not sought to come in competition with the American industry.

Mr. SMOOT. That is, in the past.

Mr. ROBINSON. Yes; and it is not seeking to do it now. The Senator has referred to the fact that in 1921 there was an excess of importations of jute yarn compared with 1910, but I do not take it that the Senator means to imply by that statement that there is evidence of a fixed purpose upon the part of those engaged in the Indian industry to invade the American market to a great extent in connection with jute yarn.

Mr. SMOOT. Mr. President, if the Ludlow Co. is successful—and I have no doubt that they will be because they are shipping now in large quantities—there will certainly be large importations of jute yarn. I have here before me a letter of July 15, 1922, in which the statement is made:

We have just received advice from our Calcutta office that on manifest dated June 15, steamship *Orterio*, for Boston, there is a shipment consigned to Ludlow Manufacturing Association, 55 bales Hessian yarn, 31,200 pounds, valuation rupees 3,900. Extending this at 30 cents to the rupee will make an average valuation per pound of yarn 3.7 cents.

That is what the American manufacturer is up against and that is what the Ludlow Co. is doing to-day.

Mr. ROBINSON. Mr. President, will the Senator yield to me for a moment?

Mr. SMOOT. Yes.

Mr. ROBINSON. By examination of the record respecting the imports for the year 1921 I find that the total jute yarns of three classes imported from Europe only amounted to about 9,000,000 pounds, whereas the consumption was approximately 200,000,000 pounds.

Mr. SMOOT. The importations were 9,032,441 pounds.

Mr. ROBINSON. Yes. I have no information as to the exact amount imported from India. Can the Senator state that?

Mr. SMOOT. No; I have not the figures here in detail.

Mr. ROBINSON. So the Senator will see the point I attempted to make in the beginning is applicable even to the business for 1921. We consumed more than 200,000,000 pounds and imported from all the world, including India, something over 9,000,000 pounds. The Senator can easily see the relationship 9,000,000 pounds bears to the total consumption of 200,000,000 pounds. We have not the definite figures as to the importations from India, although somewhere during the course of my studies I have read the statement that approximately one-third of it may have come from Dundee. Taking that as correct, the importations from India in the year 1921 were probably something in excess of 5,000,000 or in the neighborhood of 6,000,000 pounds. When 6,000,000 pounds are compared with the total consumption in the United States of 200,000,000 pounds it must be seen that there is no occasion for fright among the spinners of jute yarns as to the invasion of the American industry by the India producers.

Mr. SMOOT. Mr. President, I want to call attention to the fact that in 1914 the importations were only one-half of 1 per cent of the consumption, as stated by the Senator, but now they are nearly 5 per cent, and according to the manifests which we have here and the prices quoted, if they are correct, it is not difficult to see what is going to happen to this industry in the United States. The domestic manufacturers will either have to bring down their costs at least one-quarter or else their business is going to be taken away from them.

Mr. KING. Mr. President, will my colleague yield?

Mr. SMOOT. Yes; I yield.

Mr. KING. Does the Senator conceive that if there is an importation of 5 per cent of this product, the consumption being more than 200,000,000 pounds, that is an evil or a danger to be apprehended?

Mr. SMOOT. No.

Mr. ROBINSON. Mr. President, right in that connection, let me point out to both Senators from Utah what seems to have escaped the attention of the senior Senator from Utah [Mr. SMOOT]—that the total annual consumption in the United States ranges from 200,000,000 to 250,000,000 pounds. I have just shown, in the best way that the information available will permit, that the importation from India was perhaps something in excess of 5,000,000 pounds last year. What I should like to know is how the Senator from Utah figures that 5,000,000 pounds is 5 per cent or nearly 5 per cent of the total consumption of 200,000,000 or 250,000,000 pounds?

Mr. SMOOT. The Senator stated that that was on all the importations of jute yarn, wherever they come from.

Mr. ROBINSON. I said that the total consumption in the United States was from 200,000,000 to 250,000,000 pounds, and that there was a total importation from all sources of something in excess of 9,000,000 pounds last year, and that of that 9,000,000 pounds India probably exported to the United States between 5,000,000 and 6,000,000 pounds, although the exact amount can not be stated. What I inquire of the Senator from Utah is how he arrives at the conclusion, if those facts are approximately correct, that India exports to the United States approximately 5 per cent of the jute yarn used? It would be less than 2½ per cent.

Mr. SMOOT. I will answer my colleague first, and then I will answer the Senator from Arkansas. If the importations have doubled from 1910, and if the importations from 1914 have increased by nearly nine times, and those importations have been increasing just of late, particularly since an American manufacturer has gone to India to make goods, you can see what is going to happen.

Mr. ROBINSON. Will the Senator permit an interruption right in that connection? There is an implication from the Senator's last remark that he wants to attract the manufacture of jute fabrics from India to the United States. How can he expect to do that if he raises to 40 per cent ad valorem the duties on jute yarns imported into the United States? How can he expect jute manufacturers in this country to compete with jute manufacturers in India?

Mr. SMOOT. If the yarn comes in, the cloth will be made here. If the cloth comes in, of course neither the yarn nor the cloth will be made here. In further answer to my colleague, I wish to say if it were 5 per cent I would not think for a moment that that was out of the way. I would not object to that if that were all there were to it; but if these manifests are right, and they can buy this yarn in America the same as these manifests and the invoice to the Ludlow Manufacturing Association claims that it is sold, I want to say to you that the rates that are provided here by the committee are not going to keep them out; but the committee feel that they will not stand for a higher rate than a maximum of 40 per cent.

Mr. ROBINSON. Now, will the Senator be good enough to yield?

Mr. SMOOT. Yes; certainly.

Mr. ROBINSON. The Senator stated awhile ago, as a justification for this very high rate of 40 per cent ad valorem on jute yarns, that the importations from India had more than doubled from the year 1910 to the year 1921.

Mr. SMOOT. No; I said the importations into the United States from all sources.

Mr. ROBINSON. In that statement, if that was the statement, the Senator was in error. If the Senator will pardon me for bringing it to his attention, he will find by an examination of the survey relating to this subject, on page 22, that for the year 1910 the total importations of jute yarn were 6,267,105 pounds.

Mr. SMOOT. Five million nine hundred and nineteen thousand and eighty-six pounds.

Mr. ROBINSON. I shall be glad to show the Senator my figures, which, it seems, do not conform to the figures that he has; but there is the survey of the Tariff Commission.

Mr. SMOOT. One figure is for the calendar year and the other is for the fiscal year. I always give these figures for fiscal years, because that is the way we report everything else. In the next year, then, it would be that much more or that much less.

Mr. ROBINSON. But even with the figures which the Senator now quotes, five million and something, that would be more than one-half the amount imported during the year 1921.

Mr. SMOOT. Approximately one-half, I said. It is a little less. We had, in 1921, importations of 9,032,441 pounds.

Mr. ROBINSON. For the calendar year 1910, according to the report of the Tariff Commission, there were importations of 6,267,105 pounds. The year prior to that—illustrating the fact that you can not take any one year as fully illustrative of the business as a whole throughout a long period—the importations amounted to only 1,687,409 pounds; and even in the year 1911, immediately following the year which the Senator from Utah took, the importations were only 2,070,879 pounds; so that the calendar year 1910—and to some extent, of course, the fiscal year conforms to it in that particular—was an exceptional year as to the importation of jute yarns into the United States. There was about four times as much imported in 1910 as there was in 1909, and there was more than twice as much imported in 1910 as there was in 1911.

Mr. SMOOT. That makes it about four times worse than I reported it. I did not want any figure quoted here as to which anybody could say to me: "That is not right."

Mr. ROBINSON. It makes it perfectly clear—

Mr. SMOOT. No; it makes this quite clear, and I am perfectly willing to take the Senator's figures now as he has used them, because I would not have done it. I wanted to be perfectly fair to the Senate.

Mr. ROBINSON. Mr. President, the Senator does not mean to say that it is unfair to call the attention of the Senate to the actual figures for a number of years?

Mr. SMOOT. No.

Mr. ROBINSON. Certainly the Senator can not contend that I am unfair in refusing to be confined to any particular year as to the imports of jute yarns.

Mr. SMOOT. I am perfectly willing, then, to take the years that the Senator mentioned, and instead of the quantity being twice as much he will find out that it is about seven times as much; but I took the very highest quantity that was imported to compare with.

Mr. ROBINSON. No; the Senator does not mean that.

Mr. SMOOT. Let us take the year 1911, that the Senator read, then.

Mr. ROBINSON. The imports in 1911 were more than 2,000,000 pounds, and, of course, the Senator could not say that they were seven times those of 1921.

Mr. SMOOT. No; but there was one year that the Senator read when the imports were one million and some odd pounds.

Mr. ROBINSON. Yes; it would be about five times that amount. That was the year 1909.

Mr. SMOOT. And the other year.

Mr. ROBINSON. That was the year I read—1909.

Mr. SMOOT. There were two years that the Senator read.

Mr. ROBINSON. But the Senator ought to be a little more accurate.

Mr. SMOOT. I want to be perfectly accurate. I want to say to the Senator that if I had taken the year 1910 to compare with 1921, and had taken the small year before or the small year after, I would not have considered that I was doing the right thing; but I took the highest year under the Payne-Aldrich bill and compared the imports of that year with those of the year 1921. I did, however, call attention to the fact that in 1914 there were only 1,133,778 pounds imported, and that the importation in 1921 was over eight times the importation of 1914.

Mr. LODGE. Mr. President—

Mr. SMOOT. I yield to the Senator from Massachusetts.

Mr. LODGE. The total amount of imports does not seem to me very serious. I do not think it does to the Senator.

Mr. SMOOT. No; 5 per cent is not very serious.

Mr. LODGE. But what strikes me about the matter is what has not been emphasized by either the Senator from Utah or the Senator from Arkansas, that the Senator has shown that what I believe to be the greatest jute-manufacturing concerns in the United States, very old, long established—they are in my State—have begun to have their jute yarns made in Calcutta, and that means transferring that portion of the work to Calcutta, and the reason is because they have been unable to compete with India here. I am not defending their doing it. They have a perfect right to do it. I did not know anything about it until it was recited to me.

Mr. ROBINSON. Let me ask the Senator from Massachusetts this question for information: Will not the imposition of high rates of duty on jute yarns imported into the United States tend to drive other manufacturers from the United States to India in the manufacture of their jute yarns?

Mr. LODGE. No; I think not.

Mr. SMOOT. Just the reverse; it will keep them here.

Mr. LODGE. I think it will have exactly the reverse effect. It is the transference of an industry of importance, and the labor employed in that industry is extinguished here and the labor in Calcutta is substituted for it. That is what is significant about it. It is not the amount. Of course, if you are going to drive your great industries into other countries, where they can get cheaper labor, and bring the product in here at a profit, they will make the things abroad, just as the Singer sewing machines are practically all made abroad.

Mr. SMOOT. Mr. President, I was going to say that I was told also that the next largest concern in the United States is now contemplating moving to Calcutta. The very fact that one of the largest American jute spinners has transferred his production of this class of merchandise to India is a positive indication that there is a decided advantage in cost production in India as compared to the cost prevailing in this country; and

that is demonstrated by the manifests that we have here, and the invoices, and the prices named in those invoices.

Inasmuch as the present competition comes largely from Dundee, and more complete price data were available for comparison with American prices, the committee has fixed these rates on the basis of Dundee, but has allowed some increase over the rates which these prices would indicate as necessary in order in some degree to take care of the future competition which this industry undoubtedly faces from Calcutta. In order to determine what the rate would have to be if based upon Dundee competition solely, the committee sent representatives to the largest carpet mills in the country to ascertain what they were paying for comparable grades of domestic and Dundee yarn.

On third-grade 14-pound yarn, for the last quarter of 1921, one of the largest mills was paying 8½ cents, foreign factory price, which, with landing charges, exclusive of duty, brought the price at the mill to 9.48 cents per pound. The same carpet mill was paying at that time 12½ cents a pound for domestic yarn. Owing to the fact that this 12½ cents was a forced price, because of foreign competition, however, the committee has considered it fair to make an allowance in establishing the difference in competitive conditions.

In the case of second-grade 14-pound yarn, Dundee yarn can be delivered at American carpet mills to-day for 12.6 cents a pound, as against 15.87 cents a pound for comparable domestic yarn.

Attention has been directed to the fact that the rates in the other brackets of this paragraph are all adjusted in relation to the basic rate which the committee has established upon the bracket which contains the 14-pound yarn. This adjustment is made on the basis of the ratio of conversion cost in relation to 14-pound yarn.

In evidence of the increased foreign competition resulting from the rate of the act of 1913, reference is made to the imports, which show the following:

Those imports I have already stated and will not take the time to restate them. I think perhaps it would be better as each of these paragraphs is reached to make a brief statement as to the changes the committee has made and the reasons for the changes. The pending amendment is to make the rate 20 per cent on the fine yarns, which, figured on to-day's prices, since they are being sold freely at 14 cents, would be 2.8 cents a pound. If that 20 per cent rate is agreed to, of course every one of the preceding rates will have to be agreed to, necessarily, because we do not want an unbalanced schedule. If the 20 per cent rate is made the basis, then, of course, all of the other duties imposed upon each step taken in the manufacture of jute will have to be accordingly changed.

Mr. KING. Mr. President, as I understand my colleague, he does not regard the imposition of 5 per cent, or perhaps a little more, as disadvantageous to the consuming public in the United States?

Mr. SMOOT. I would not think so.

Mr. KING. Does not the Senator think that the imposition of 5, 10, or 15 per cent, even if a person is a protectionist per se, is a good thing for the consuming public, and indeed for the industry itself, because it tends to prevent too great a monopolistic control, and thus obviates the resentments which would arise in the consuming trade against the producer of the article?

Mr. SMOOT. I admit it has a tendency to regulate the prices.

Mr. KING. May I inquire of my colleague, who has answered me very frankly, if this duty which the committee recommends, or the duty which is recommended by the able Senator from New Hampshire, were to obtain, would not the effect be to increase the price of the jute yarn, or whatever form it takes, to the consumer in the United States and to that extent raise the prices of cordage and the other various products of jute and jute yarn to the American consumer?

Mr. SMOOT. That is necessarily so.

Mr. ROBINSON. It could have no other justification.

Mr. SMOOT. Mr. President, I want to make a brief statement as to the theory of this schedule. Perhaps I could express it in only one way, that there is a line of competitive goods falling under this paragraph and a line of noncompetitive goods. The theory of this bill is to protect those competitive goods, and the rates are lower upon the noncompetitive goods. As the different paragraphs in this schedule are reached, I want to call attention to that fact, because a person reading this provision, if the bill shall become law, not knowing the object the committee had in view, and noting the difference between the rates imposed in the different paragraphs, would say immediately, "They did not know what they were doing. Why do

these high-priced articles, these fine linens—goods, however, not made in the United States—carry a lower rate than the goods which are competitive?"

I want to say frankly to the Senate right now that the American people, on account of climatic conditions and other reasons that there is no need for me to mention at this time, can not make the very finest linens. I suppose that is understood all over the world. That class of goods can not be made in other countries. Germany can not make them as they can be made in Ireland, and so far no one else in the world has reached such perfection in the making of fine linen goods as have the people in one particular section in Ireland.

France has tried it, with all her ingenuity, and with all the latest machinery that was known in the world, and with as skillful operators as there are anywhere in the world, and there is yet one grade of cloth she can not touch. She can not make it in a perfected piece of cloth as they make it there.

It may be that we will be criticized for the difference in the rates. It may be stated by some, "Here is a crash towel," or "Here is a huck towel, and it has a higher rate of duty on it than a linen tablecloth, one piece costing \$50, \$60, \$75, \$100." We can not make a tablecloth of that quality in the United States.

Mr. KING. It ought to bear a luxury tax.

Mr. SMOOT. I was going to say to the Senate, as my colleague just intimated should be the case, that on that class of goods we do impose a duty, against which the importers are protesting. If the people who buy that kind of goods are compelled to pay part of their money into the Treasury of the United States, all well and good.

That is about the theory of this duty, and whatever action is taken upon this amendment will have a bearing upon all of the other paragraphs in this schedule.

Mr. ROBINSON. Of course, I understand that; and that is exactly what I designed it should do. I would like to see all of these rates reduced correspondingly. It may be that the present rate on jute yarn is not high enough, but I think the facts, even as stated by the Senator from Utah, bear out the contention that they are ample. To increase the rate on yarn will constitute a basis for further increasing the rates on the articles manufactured from the yarns.

Taking even the figures of my friend the Senator from Utah, they show that the importations amount now to something more than 2½ per cent of the amount of this commodity consumed in the United States. If it were 5 per cent, or even something more than that, I would not think that the American industry of jute spinning was in serious danger of being invaded by the Indian industry.

India unquestionably can manufacture jute yarns cheaper than the manufacturers in the United States can produce them. I have never made any question of that fact. But India finds it more profitable to make other products, and she has never competed with the American industry in this particular branch. She is not doing it now. The present rates have proved adequate for every legitimate purpose, and I respectfully suggest that until conditions change there is no justification for this very high rate. I am ready for a vote.

Mr. KING. Mr. President, I understand the consumption of jute yarns amounts to more than 200,000,000 pounds per annum?

Mr. ROBINSON. Yes.

Mr. KING. It is obvious that the products made from that yarn are important to the American people. They consist of cordage and other articles which are in common use. I would like to ask the Senator whether or not, in the long run, it would be more advantageous to the American people to increase the consumption—and increase in consumption results from a cheapening of the product—than to manufacture from the raw material into the finished product a considerable portion of that which we use in the United States?

Mr. ROBINSON. I can not answer the question of the Senator from Utah with accuracy. Unquestionably, there are manufacturing industries in which the United States can not compete with other countries. The Senator from Utah has referred to some which, in his opinion, bear that relation to our industries. Jute spinning might become one of them. It would be much better for jute yarns to be manufactured abroad than for the American consumer to be charged an exorbitant and unreasonable price and for the businesses which are dependent upon that industry to be forever hampered by having to pay an excessive price for this very essential commodity. I am ready for a vote on the amendment.

Mr. KING. Mr. President, in the discussion of these tariff rates, I have sometimes been impressed with the thought that we have lent too much attention to the demands of small enter-

prises in the United States that were seeking to convert raw material produced abroad, not produced in the United States, and which perhaps never will be produced in the United States. They purchase the raw material and then establish an inconsiderable industry in the United States for the purpose of converting raw material into the finished product, and the spread between the raw material and the finished product resulting from the fostering of the domestic industry is too great, and we are penalizing the American consumer too much in order to aid some unimportant industry.

We have many evidences of that fact in the discussion of this bill. As I understand the situation here the raw product, to wit, jute, is not grown in the United States. We import it. It is transformed into the finished product very cheaply in other countries. It is important that we have for the American people jute yarns, and the finished product, or the quasi finished product of the raw material, as cheaply as possible, because that stimulates other industries.

If we can get cheap jute yarns in the United States it will develop cordage plants and other industries which transform the yarns into valuable and important finished products that are consumed to the extent of millions of dollars and tens of millions of dollars in the United States.

But in order to help a few mills that transform the raw material into the yarn the proposition now is to add to the finished product an enormous duty, an enormous tax, the result of which would be that the finished product—that is, the yarn—would become more costly, and its production therefore less, and by reason of this restriction the industries that might be established to manufacture the yarn and cordage and other products would be greatly interfered with.

This is an instance, it seems to me, where we are injuring American industry, not perhaps one particular industry, but other industries which in the aggregate would be far more important and advantageous to the American people than one limited or restricted industry. It seems to me that in the interest of home industries and the building up of home industries we ought to get the yarn to the people as cheaply as possible, and with cheap yarns a multitude of other industries could be developed which would inure to the advantage of the American people.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. ROBINSON] to the committee amendment.

The amendment to the amendment was rejected.

Mr. MOSES. Mr. President, I now renew the amendment which I withdrew at the request of the Senator from Arkansas that the "40" be reduced to "35," so as to make it read "7 cents per pound, but not more than 35 per cent ad valorem."

I wish to say that I offer this amendment in order to make the entire schedule symmetrical and in order that the differentials in paragraph 1008a may be uniform. I voted against the amendment offered by the Senator from Arkansas because to my mind it did not offer sufficient protection to the line affected by this particular item. I happen to be a thorough-going protectionist, Mr. President, and believe in protection all along the line to all of the elements and factors entering into any finished product, and, therefore, I could not bring myself to vote for the low rate which the Senator from Arkansas proposed. I am offering the amendment now simply that the bill may have symmetry in order that, as the Senator from Utah [Mr. SMOOT] pointed out, the differentiation between the various yarns may still be maintained, and in order that the main basis in the finished product, the labor differential, may be made effective and to conform to the other labor differential in the rest of the items dealing with each material and running through paragraph 1008a.

I have no desire to detain the Senate upon the amendment except to say that the fabrics particularly affected by this line of duties are fabrics which had not been made in this country prior to the war. The industry has a firm foothold here. Ten per cent of the total consumption is already made here. With adequate protection every square inch of fabric used in the country will be made here because it is a mere process of textile manufacture. Anyone with enterprise and with sufficient encouragement can go into it. I simply ask for a sufficient tariff rate to cover the labor differential.

Mr. FRELINGHUYSEN. Mr. President—

Mr. MOSES. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. Will the Senator kindly tell us how firmly the industry is established here and the amount of capital employed?

Mr. MOSES. I just stated that 10 per cent of the total consumption is already made in this country.

Mr. FRELINGHUYSEN. How many mills are there?

Mr. MOSES. Only one, because only one man has had sufficient enterprise to go into the business.

Mr. FRELINGHUYSEN. What is the capital invested?

Mr. MOSES. I do not know.

Mr. KING. Mr. President, may I inquire of the committee whether it is their purpose to accept the amendment offered by the Senator from New Hampshire?

Mr. SMOOT. No; the committee have proposed a rate of 40 per cent to give a 10 per cent differential in paragraph 1008a. Paragraph 1008a relates to cloth made from this particular yarn. The Senator from New Hampshire desires to have a differential of 15 per cent, while the committee gave 10 per cent; in other words, gave the cloth 50 per cent and the yarn 40 per cent.

Mr. KING. Then, as I understand the position of the Senator from New Hampshire, it is not an effort to reduce the rate recommended by the committee?

Mr. SMOOT. Yes; it is an effort to reduce the rate on the 5-pound and finer yarns. The committee recommend a limit of 40 per cent and the Senator from New Hampshire now desires that it be made 35 per cent. That, of course, would mean, if we had 50 per cent on the cloth, that the differential between the yarn and the cloth would be 15 per cent, whereas the committee have reported it at 10 per cent.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the amendment of the committee.

Mr. MOSES. I ask for a division on agreeing to my amendment.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. DIAL (when his name was called). I am paired with the Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the Senator from Rhode Island [Mr. GERRY] and vote "yea."

Mr. ROBINSON (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. SUTHERLAND] to the senior Senator from Missouri [Mr. REED] and vote "yea."

The roll call was concluded.

Mr. ELKINS. I transfer my pair with the Senator from Mississippi [Mr. HARRISON] to the Senator from Maryland [Mr. FRANCE] and vote "nay."

Mr. OVERMAN. I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. I transfer that pair to the Senator from Texas [Mr. CULBERSON] and vote "yea."

Mr. GLASS. I transfer my pair with the senior Senator from Vermont [Mr. DILLINGHAM] to the Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. JONES of New Mexico. I wish to inquire if the Senator from Maine [Mr. FERNALD] has voted?

The PRESIDING OFFICER. The Senator has not voted.

Mr. JONES of New Mexico. I have a general pair with that Senator and am not able to obtain a transfer. I therefore withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. NEW. Transferring my pair with the junior Senator from Tennessee [Mr. MCKELLAR] to the junior Senator from Vermont [Mr. PAGE], I vote "nay."

Mr. CALDER. I transfer my pair with the senior Senator from Georgia [Mr. HARRIS] to the junior Senator from Oregon [Mr. STANFIELD] and vote "nay."

Mr. HALE. I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the junior Senator from Washington [Mr. POINDEXTER] and vote "nay."

Mr. TRAMMELL. I have a pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence, being unable to obtain a transfer, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. CURTIS. I wish to announce the following pairs:

The Senator from Arizona [Mr. CAMERON] with the Senator from Georgia [Mr. WATSON];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Mississippi [Mr. WILLIAMS].

The result was announced—yeas 26, nays 31, as follows:

YEAS—26.

Ashurst	Kellogg	Overman	Stanley
Capper	Kendrick	Pomerene	Swanson
Caraway	Keyes	Ransdell	Underwood
Dial	King	Robinson	Walsh, Mass.
Fletcher	Moses	Sheppard	Walsh, Mont.
Glass	Myers	Simmons	
Hedin	Nelson	Smith	

NAYS—31.

Ball	Frelinghuysen	McCormick	Phipps
Borah	Gooding	McCumber	Rawson
Broussard	Hale	McNary	Smoot
Bursum	Johnson	New	Spencer
Calder	Jones, Wash.	Newberry	Sterling
Curtis	Ladd	Nicholson	Wadsworth
Elkins	Lenroot	Oddie	Willis
Ernst	Lodge	Pepper	

NOT VOTING—39.

Brandegge	France	McLean	Stanfield
Cameron	Gerry	Norbeck	Sutherland
Colt	Harrell	Norris	Townsend
Crow	Harris	Owen	Trammell
Culberson	Harrison	Page	Warren
Cummins	Hitchcock	Pittman	Watson, Ga.
Dillingham	Jones, N. Mex.	Poindexter	Watson, Ind.
du Pont	La Follette	Reed	Weller
Edge	McKellar	Shields	Williams
Fernald	McKinley	Shortridge	

So Mr. MOSES's amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The secretary will report the next amendment.

The READING CLERK. In paragraph 1004, page 132, in lines 20 and 21, the committee propose to strike out "eight lea, 8," and insert "twelve lea, 10," so as to read:

Single yarns, in the gray, made of flax, hemp, or ramie, or a mixture of any of them, not finer than 12 lea, 10 cents per pound.

Mr. ROBINSON. Mr. President, I ask the Senator from Utah [Mr. SMOOT] what is the ad valorem equivalent, approximately, of the rate proposed in the amendment?

Mr. SMOOT. I have it on 14 lea. I have not worked it down to 8 lea. I can tell the Senator the equivalent ad valorem to-day on the 14 lea yarn.

Mr. ROBINSON. I am referring now to the committee amendment. The committee proposes to strike out 8 lea and insert 12 lea. That has the effect of increasing the rate.

Mr. SMOOT. Yes; and I will say to the Senator that it is done because of the increase in the rate on hemp and tow. It equalizes the increase that was made on the hemp and tow rate in paragraph 1001.

Mr. ROBINSON. I ask the Senator from Utah if it does not double the present rate?

Mr. SMOOT. I will say to the Senator that, of course, this is all controlled by the maximum rate which we are going to provide in the amendment, of which I think I gave the Senator a copy.

Mr. ROBINSON. The Senator did not give me copies of any amendments to-day except the one that I asked him for, which related to the first paragraph. In this connection I wish to say, Mr. President, that the committee ought to report its amendments and have them printed in advance of the consideration of these schedules.

Mr. SMOOT. This amendment is printed.

Mr. ROBINSON. This morning the whole debate centered about an amendment which was not reported until after the paragraph had been read. The Senator from Utah in connection with this amendment states that he proposes to offer the amendment submitted on the 18th of this month. I do not believe there is any justification for this amendment. I believe that the House rate is adequate. I do not desire to take a great deal of time in discussing the subject. The whole matter has been gone into; at least, it is intimately related to matters which have heretofore been discussed in connection with the former paragraphs. I am ready to vote on the amendment if the Senator from Utah is.

Mr. SMOOT. I wish to say to the Senator that the reason the committee changed the number of leas from 8 to 12 is that the duty on hemp and hemp tow and hackled hemp was increased in paragraph 1001, and the increase as to the leas equalizes the increases that were so made. If in conference there should be any change made in the rates on hemp and hemp tow and hackled hemp, of course corresponding changes would necessarily follow as to the leas.

Mr. ROBINSON. Now, I wish to ask the Senator from Utah why the amendment provides for 12 lea in line 21, on page 132—

Mr. McCUMBER rose.

Mr. ROBINSON. Let me finish my question.

Mr. McCUMBER. Yes.

Mr. ROBINSON. And for 11 lea in line 10, on page 133?

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. SMOOT. I will say to the Senator from Arkansas that the change in the number of lea to which he refers is made in order to bring about the proper equivalent ad valorem rate. That is why it is done.

Mr. ROBINSON. What is the ad valorem equivalent?

Mr. McCUMBER. I was about to give the Senator that, if he will allow me, for I have just had the computation made. The equivalent ad valorem on the latest prices is about 30 per cent on the first bracket.

Mr. ROBINSON. What I do not understand is—and the question which I have just asked the Senator from Utah [Mr. SMOOT] relates to that—why the committee provide 12 lea in line 21, on page 132, and 11 lea in line 10, on page 133. It seems to me that the two ought to be the same.

Mr. SMOOT. If the articles were the same, I will say to the Senator his contention would be correct; but in one case there is a single yarn and in the other threads, twines, and cord. The difference of one lea will make it exactly the same as fixed by the House.

Mr. ROBINSON. The House has eight lea in both places.

Mr. SMOOT. Yes, I know it did; but there was in the House bill a duty of only three-fourths of a cent a pound on hemp tow, and that was not enough to necessitate a change in the number of lea, but when we change the rate to 2 cents, then, of course, the difference is felt; in other words, there is a difference of one lea.

Mr. ROBINSON. Mr. President, I have no doubt that my friend the Senator from Utah has made a very lucid explanation of this matter, but I confess my inability to comprehend it.

Mr. SMOOT. I will say to the Senator that he must understand that we have put the duty on hackled hemp at 4 cents, instead of 1½ cents, and, as we have provided a maximum rate and a minimum rate, in order to make the rates conform when the maximum rate may apply or the minimum rate may apply, we had to change the number of the lea because of the increase in the price per pound upon yarns of a certain size.

Mr. ROBINSON. I understand that the reason the committee proposes to change the number of lea is so as to increase the rate.

Mr. SMOOT. Yes.

Mr. ROBINSON. That is a general statement of the matter; but why did the committee increase the number of lea to 12 in line 21, on page 132, and only to 11 in line 10, on page 133?

Mr. SMOOT. Because when the maximum rate or the minimum rate is applied in any case the difference would be represented in the difference that we have made in the number of lea.

Mr. ROBINSON. Mr. President, the Senator from Utah has referred to the maximum and the minimum rates. I notice his amendment proposes a minimum rate of 30 per cent in lieu of that formerly reported by the Finance Committee of 35 per cent, and that his present amendment proposes a maximum rate of not more than 40 per cent ad valorem. I inquire of the Senator from Utah why he proposes to impose a maximum rate in this case and does not impose a maximum rate in line 19? The amendment which he has submitted does not affect that provision which establishes a minimum rate.

Mr. SMOOT. The Senator does not mean in the proviso which reads:

*Provided*, That the duty on the foregoing threads, twine, and cords shall be not less than 40 per cent ad valorem.

Mr. ROBINSON. Yes; that is exactly what I mean. It would seem that if the minimum and maximum provision which the Senator now proposes, which reads—

*Provided*, That the duty on any of the foregoing yarns shall not be less than 30 per cent nor more than 40 per cent ad valorem—

should prevail, there should also be a modification in line 19, which, as now submitted by the committee, only provides for a minimum of 40 per cent ad valorem, but does not embrace any maximum whatever.

Mr. SMOOT. I will say to the Senator that the 40 per cent rate in this case will be the rate that will apply.

Mr. ROBINSON. But why does not the Senator then provide that the rate shall be 40 per cent ad valorem, instead of "not less than 40 per cent ad valorem"?

Mr. SMOOT. Because if the price declines, then, of course, the rate may be more.

Mr. ROBINSON. But that does not explain my first question.

Mr. SMOOT. No. The Senator wished to understand why we do not provide for a maximum rate.

Mr. ROBINSON. If the committee insists upon a maximum as to yarns, why should they be content as to a minimum on threads, twines, and cords?

Mr. SMOOT. Because the minimum will apply in every case, I will say to the Senator.

The prices have increased so rapidly that the minimum of 40 per cent will apply in all cases under the prices of to-day or any prices which may prevail.

Mr. ROBINSON. What is the use, then, of a specific rate?

Mr. SMOOT. Specific rates are provided because the prices may fluctuate greatly in the future, and we did not want any of these rates to be less than 40 per cent.

Mr. ROBINSON. But the price may also change the other way.

Mr. SMOOT. Yes; it may.

Mr. ROBINSON. Then I inquire why should there not be a maximum as to the twine, cords, and threads if there is a maximum imposed on the yarns? I am really seeking for information.

Mr. SMOOT. Because the maximum in the other paragraph is no more than the minimum that is applied here. The same provision has been made in the cotton schedule and other schedules without a maximum.

Mr. ROBINSON. Mr. President, I am ready for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. ROBINSON. On this amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. DIAL (when his name was called). Making the same announcement of my pair and transfer as on the former ballot, I vote "nay."

Mr. GLASS (when his name was called). Making the same announcement as on the preceding ballot, I vote "nay."

Mr. NEW (when his name was called). Repeating the announcement made on the last vote as to the transfer of my pair, I vote "yea."

Mr. ROBINSON (when his name was called). Announcing the same pair and transfer as on the previous vote, I vote "nay."

Mr. TRAMMELL. I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the Senator from Nebraska [Mr. HITCHCOCK], and vote "nay."

The roll call was concluded.

Mr. BALL. Making the same announcement as to the transfer of my pair as heretofore, I vote "yea."

Mr. CALDER. Making the same transfer of my pair as on the last vote, I vote "yea."

Mr. OVERMAN. Making the same announcement as to my pair and its transfer as previously, I vote "nay."

Mr. JONES of New Mexico. Making the same announcement as on the previous vote regarding my pair, I will withhold my vote. If permitted to vote, I should vote "nay."

Mr. WATSON of Indiana. I transfer my general pair with the Senator from Mississippi [Mr. WILLIAMS] to the senior Senator from Pennsylvania [Mr. CROW], and vote "yea."

Mr. CURTIS. I desire to announce the following pairs:

The Senator from Arizona [Mr. CAMERON] with the Senator from Georgia [Mr. WATSON];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from Maine [Mr. HALE] with the Senator from Tennessee [Mr. SHIELDS].

The result was announced—yeas 38, nays 21, as follows:

## YEAS—38.

Ball	Gooding	McLean	Phipps
Borah	Jones, Wash.	McNary	Rawson
Broussard	Kellogg	Moses	Smoot
Bursum	Kendrick	Nelson	Spencer
Calder	Keyes	New	Sterling
Capper	Lenroot	Newberry	Wadsworth
Cummins	Lodge	Nicholson	Watson, Ind.
Curtis	McCormick	Norbeck	Willis
Ernst	McCumber	Oddie	
Frelinghuysen	McKinley	Pepper	

## NAYS—21.

Ashurst	King	Sheppard	Underwood
Caraway	Myers	Simmons	Walsh, Mass.
Dial	Overman	Smith	Walsh, Mont.
Fletcher	Pomerene	Stanley	
Glass	Ramsdell	Swanson	
Heflin	Robinson	Trammell	

## NOT VOTING—37.

Brandege	France	La Follette	Stanfield
Cameron	Gerry	McKellar	Sutherland
Colt	Hale	Norris	Townsend
Crow	Harreld	Owen	Warren
Culberson	Harris	Page	Watson, Ga.
Dillingham	Harrison	Pittman	Weller
du Pont	Hitchcock	Poindexter	Williams
Edge	Johnson	Reed	
Elkins	Jones, N. Mex.	Shields	
Fernald	Ladd	Shortridge	

So the amendment of the committee was agreed to.

## MISSOURI SENATORIAL PRIMARY.

Mr. SPENCER. Mr. President, the senatorial primary in Missouri will be held within two weeks. The Democratic candidate for Senator and the Republican candidate for Senator will both be selected a week from next Tuesday, August 1. The only reason I have for occupying the time of the Senate for a moment on this matter is to correct what may be a false impression in the minds of some of my colleagues with regard to my own relationship to the Democratic primary.

It is perfectly fair to say that national interest in the Missouri Democratic primary is far greater than in the Republican primary. This is largely due to the fact that my distinguished colleague, the senior Senator from Missouri [Mr. REED], who has such a well-deserved and national reputation not only as a great political fighter but as an orator and debater unequalled in power and vigor, is himself a contestant in that primary. The interest in Missouri is all the keener because of the intense character of the campaign.

The senior Senator from Missouri is declaring to very large audiences every day that his opponent, Mr. Long, is so dry in the country as to resemble a camel, and that when he, Mr. Long, campaigns in the city of St. Louis, which is by the Mississippi, or in the city of Kansas, which borders on the Kaw, he is so wet as to resemble a fish. Senator REED is also saying in Missouri that Mr. Long, according to his own description of himself, has reduced himself to the position of a human phonograph, so that in case he ever entered the Senate he would do nothing more than record and repeat the thoughts and the words of a possible Democratic President; that he is a mere automaton; so that when a possible Democratic President, as in a Punch and Judy show, pulls the strings he will act in response to that presidential pull. Then the Senator, in the graphic way of which he is a master, points out the fact that he himself might be the President of the United States, and he portrays to the great audiences if he, the senior Senator from Missouri, were the President of the United States, how tragic would be the situation for Mr. Long in the Senate of the United States, and have to record only the thoughts and words of the then President in the White House.

All this, Mr. President, from one side is answered by the other; for Mr. Long says constantly to audiences not as large as those of the senior Senator from Missouri that as for himself—and he is speaking largely to Democrats who were born and bred in the Democratic Party, and who love it and believe in it—he (Mr. Long) is not “an occasional Democrat”; he (Mr. Long) never stabbed the Democratic Party in the back or ambushed it from the side; he (Mr. Long) never went to the State of Wisconsin and made speeches for a Republican candidate; and so the battle goes on along these lines of great issues.

Mr. President, everyone is keenly interested. Every morning the people look to see what the latest utterance of either candidate is. I share in that curiosity. I want to get all the reliable information I can about this contest. I am intensely interested in it, and I have sought for all the reliable information I can get, and I will continue to seek and welcome such information. May I say to the senior Senator from Kentucky [Mr. STANLEY], whose language the other day I resent, that nothing he ever has said will change that purpose with me, nor will anything he may say, if again, under the influence of heat or excitement or other impulses, he sees fit to rise in the Senate and in tearful, lachrymose tones cry out as he did the other day, that his heart is troubled, that his grief is sore, that he in tenderness, not in anger or resentment, as he was quick to add, feels called upon to chide the press and the Senate and the people of the United States for some fancied charge which in his then condition of mind he imagined they had made against me on account of some fancied interference on my part in a Democratic primary; a moment's sober, calm thought would have convinced the Senator there was no charge ever made—nor was there any such interference on my part; and I may say quickly that I am not concerned if the senior Senator from Kentucky [Mr. STANLEY], in the same condition of mind, should again seek, as he did the other day, to assume the artistic pose of the Statue of Liberty and cry out in vociferous tones against what he was pleased to call “damnable, pernicious interference” in a Democratic primary. All the reliable information I can get on the primary in my State I shall continue to welcome.

But I do want to say to my colleagues—and this is the purpose for which I speak—that interested as I am in the contest I have not, directly or indirectly, in any way or manner, even attempted to interfere in this Democratic primary. The Democrats of Missouri are people of intelligence and courage and independence, and they will settle their own primary con-

tests precisely as in their conscience and their judgment they see best to do. I do not presume that I could interfere in a Democratic primary, and I certainly would not so interfere if I could. I have no hesitation in saying to the Senate, as I have said many times in private conversation, that personally I should be glad if my distinguished colleague were renominated by his party. No one can be any quicker than I to recognize nor more sincere to admire the great gifts and powers with which my colleague is so abundantly endowed, and I do not propose to be put in a false position in regard to that matter, and certainly not by the senior Senator from Kentucky, who, sir, when my colleague had his political life in the balance in the Democratic convention in San Francisco, when his prestige as a man and his right as a delegate and his standing in his party at home were all at stake—the senior Senator from Kentucky [Mr. STANLEY], who was a delegate at large at that convention, so far as I can find out from the record of that convention, was absolutely silent in behalf of my colleague and intentionally impotent in his behalf. God save us from alleged friends who, when a word or act will help, remain silent and then become vociferously vehement only when nothing that they can say will be of any possible benefit!

I do not agree with my colleague in many of the positions he takes nor often in the way he defends or advocates them, but this is not inconsistent with a real friendship for him as a man or sincere admiration for his outstanding ability.

Mr. President, I may say that when this primary is over, settled by the Republicans with regard to their candidate and by the Democrats with regard to their candidate, I shall in every way in my power seek to secure the defeat of the Democratic candidate and to insure the election of the Republican candidate. May I say, sir, not as a matter of mere boastful prophecy but as the result of a real conviction, that I have perfect confidence that Missouri in 1922, as she did in 1920, and in 1918, and in 1910, and in 1908, and in 1904, as she has in every presidential campaign in the last 18 years, with the exception of once when the Republican Party was divided and once when the slogan “He kept us out of war” misled many thousands of Missourians, will again record her adherence to the principles of the Republican Party.

Mr. STANLEY. Mr. President, “methinks the lady doth protest too much.” This sudden devotion on the part of the junior Senator from Missouri for the senior Senator from Missouri is too much. This display of interest in his colleague and love for him is “too sudden.”

JIM REED had enough to carry and enough to bear without this doubtful show of affection. I have never seen anything like it in my life, the junior Senator from Missouri throwing his loving arms around the senior Senator from Missouri. There is only one other such instance in truth or fiction. Under the shadows of Gethsemane there was a loving kiss, as sincere, and let us hope more deadly, than the kiss of the junior Senator from Missouri upon the cheek of the senior Senator from Missouri.

The junior Senator from Missouri charges that in the more or less personal conflict between the President of the United States and the senior Senator from Missouri I did not align myself with the senior Senator from Missouri. As long as American history is written men will recall the meeting of those intellectual Titans. During a great part of this controversy the President had said that “politics was adjourned.” Two able and patriotic men took different views of the best way to preserve the honor of the flag and the security of the Nation. In that fight I was upon the side of Woodrow Wilson. I was with Woodrow Wilson for the League of Nations, and REED was against the League of Nations. I never failed to support the President. I have followed him as a Representative in Congress, as Governor of Kentucky, as a Senator “without variableness or shadow of turning,” and as the friend and champion of Woodrow Wilson—yea, more, as the follower of Thomas Jefferson and of Andrew Jackson; as a Democrat first and as a friend of the President or any other living man second.

I did resent and do resent the sly and cunning tactics of the junior Senator from Missouri, which deceive nobody save himself. Is there a Senator upon the other side so dense as not to know that when he gets busy in his State in polling the vote of the other side and announces which candidate will win there is going to be “something doing”? Is there a Senator upon the other side so weak and inefficient, so lacking in influence or in power, that he can make a poll of his State without more or less deadly effect? If I should poll the Republican Party in Kentucky, I would look for results somewhere along the line. When JIM WATSON begins to poll the Democrats in Indiana I am going to put on my war paint in Ken-

tucky and come across and give succor to my suffering brethren, because I know the devil will be to pay when he gets busy over there in our family. I would bitterly resent it if the Senator from Indiana, in a fight between Tom Taggart and somebody else, would get up here and tell us just who is going to win, "for I have made a poll of Indiana." Could I pay the gallant, astute, gifted, and fearless leader of the old guard a higher compliment than to say it would mean big trouble? Could I cover him with greater contempt than to say it was idle curiosity and that JIM WATSON was either impotent or stupid; that he lacked either in personal prestige or intellectual force; that he could do a thing of that kind and not do damage?

I may have wronged the junior Senator from Missouri, possibly did wrong him, in my assumption that it was not at most a pernicious and objectionable interference. He assures us now that he can do that sort of thing and not hurt anybody. I would not say so unkind a thing of the junior Senator from Missouri. I assume, what may be a foolish assumption, that he has or he ought to have some influence, that he exercises or ought to exercise some power in his State, and when he runs his gentle and delicate nose into a Democratic primary he is going to hear from me, whether it be a Wilson or an anti-Wilson Democrat that he attempts to reach either by cunning, by treachery, or by an effusive utterance of questionable affection.

#### THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

The PRESIDENT pro tempore. The Secretary will state the next amendment.

The READING CLERK. The next amendment is on page 132, line 21, to strike out "8" and insert in lieu thereof "12," so as to read:

Finer than 12 lea and not finer than 60 lea.

Mr. ROBINSON. Mr. President, I claim the attention of the Senate for a few minutes to discuss a number of amendments intimately related in this schedule. It is observed that the pending amendment, and other amendments in paragraph 1004, greatly increase—in fact, they double—the present rates on yarns made of flax, hemp, or ramie. If these rates on yarns are adopted, they will become the basis or the justification for the exceedingly high rates elsewhere in the schedule on woven fabrics, and goods manufactured from flax, hemp, or ramie.

To illustrate: The committee proposes, as a logical sequence of these raises in the rates on the yarns and threads, to increase very materially the rates on the fabrics woven from articles included in paragraphs 1008a, 1009, 1011, 1012, 1013, 1015, and 1016, flax, hemp, or ramie particularly.

By way of illustration, I refer to the first-mentioned paragraph, relating to woven fabrics. It is proposed in paragraph 1008a to levy a duty on—

Woven fabrics, not including articles finished or unfinished, of flax, hemp, or ramie, or of which these substances or any of them is the component material of chief value (except such as are commonly used as paddings or interlinings in clothing), exceeding 30 and not exceeding 100 threads to the square inch, counting the warp and filling, weighing not less than  $4\frac{1}{2}$  and not more than 12 ounces per square yard, and exceeding 12 inches but not exceeding 24 inches in width, 60 per cent ad valorem.

In the same paragraph, as it is numbered, there is a rate the equivalent of 60 per cent ad valorem on certain classes of thread, and another rate of 55 per cent ad valorem.

Paragraph 1009 provides:

Woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber except cotton, or of which these substances or any of them is the component material of chief value, not specially provided for, 45 per cent ad valorem.

The rate originally proposed was 50 per cent, but, as I understand it, the committee now proposes to make it 45 per cent ad valorem. Paragraph 1011 provides:

Pile fabrics, composed wholly or in chief value of vegetable fiber other than cotton, cut or uncut, whether or not the pile covers the whole surface, and manufactures in any form, made or cut from any of the foregoing, 50 per cent ad valorem.

In paragraph 1013 there is a duty of 60 per cent proposed on certain classes of towels and napkins, and 50 per cent on certain other classes, and on sheets and pillow cases a duty of 50 per cent ad valorem.

These, in the main, are articles of common and necessary use. There is no linen industry of substantial importance in the United States, and the rates which are proposed, and which, according to the contention of the committee, are the logical consequence of the adoption of the pending rates on yarn of hemp, flax, or ramie, are exceedingly high.

I have a letter from Mr. Carleton Schaller, manufacturers' agent, 350 Broadway, which pertains to the matter and which I wish to read, as follows:

NEW YORK, July 19, 1922.

Senator JOSEPH T. ROBINSON,  
United States Senate, Washington, D. C.

SIR: \* \* \* From press accounts it is understood that the duty as proposed by the Finance Committee of the Senate on paddings made of linen will be 60 per cent ad valorem. As you know, the present rate in the Underwood bill is 30 per cent ad valorem. These goods are produced in Belgium and Ireland and have never been manufactured in this country, either under a Republican or a Democratic tariff. The reasons are mostly due to climatic conditions and also because the preparation of flax yarn is a very laborious one, and the American farmers have never been willing to undertake it.

Inasmuch as there is no domestic industry to protect, it would seem that the increase in duty of 30 to 60 per cent ad valorem will impose a very unjust burden upon the ultimate consumer. The clothing trade ever since 1920 has been striving to reduce costs, as the public has simply refused to pay high prices for clothing in the retail shops.

From your investigations you doubtless will know that Ireland imported approximately 90 per cent of its flax in pre-war days from Russia. Inasmuch as that country has not been a producer for the past three years there is a very acute scarcity of flax, and attempts to raise this in other countries have so far been unsuccessful. With the high prices that are to be expected for years to come and with a duty of 60 per cent ad valorem the result will be that the use of this canvas will be greatly curtailed, with a subsequent loss of revenue to the Government.

It is sincerely hoped that some of these arguments will meet with consideration on the Senate floor. \* \* \*

Respectfully,

CARLETON SCHALLER.

Mr. President, the facts relating to the subject are summarized in the Tariff Information Survey relating to yarns, thread, and cordage of vegetable fibers other than cotton. At page 36 the following statement is found:

Ramie silver or roving was not specifically mentioned prior to the act of 1909. Imports of silver are relatively insignificant, amounting to only \$60,263 in 1912, with a duty of 35 per cent, and to only \$6,707 in 1914, with the duty reduced to 15 per cent. In 1920 they amounted to \$5,438.

The facts in this connection require no argument. They are very convincing that high rates of duty on this product are not justified.

The following facts, therefore, should be kept in mind in connection with imports of all classes of flax, hemp, and ramie yarns: (1) The total quantity imported is normally not over 2,500,000 pounds, or perhaps 15 per cent of our total consumption; (2) this is composed chiefly of coarse and medium counts, the bulk of it not finer than 40 lea; (3) counts finer than 40 lea are not produced in considerable amounts in the United States and imports of it are, in the main, noncompetitive; (4) reduction of the average duty on all classes from approximately 40 per cent ad valorem to about 19 per cent by the act of 1913 had little effect either upon total imports or upon any particular class, although the changed classification creates a deceptive fluctuation as regards coarse and medium leas.

It would seem, therefore, that imports were largely supplementary to domestic production. Manufacturers, because of difficult conditions, have not found it profitable to extend production too close to the total amount of domestic consumption where risks of loss from varying demand are most felt.

From this statement of fact it must be apparent that the only purpose of levying the high rates proposed by the Finance Committee on the yarns embraced in paragraph 1004, hemp, flax, or ramie, is to justify the imposition of very greatly increased rates on the manufactured products. In any event the amendments reported by the committee disclose that it is the purpose of the committee to raise to the enormous figure of from 50 to 60 per cent ad valorem the rates to be imposed upon the manufactured articles, many of which are not, and some of which can not be, successfully produced in the United States.

In that view of the matter I feel justified in urging the Senate to reject the pending amendment and thus force a revision of the committee's proposed rates on hemp, flax, and ramie yarns, for if we approve of the proposed rates on yarns, that approval will be urged by the representatives of the committee as a convincing justification for the existing high rates imposed in succeeding paragraphs on the fabrics and other products manufactured from hemp, flax, and ramie.

It so happens that in the way the committee are presenting their amendments, the sense of the Senate on the subject can be tested by a single vote on the amendment fixing minimum and maximum duties proposed by the Senator from Utah at not less than 30 nor more than 40 per cent ad valorem.

That amendment has not yet been reached, but it is my purpose when the Senate considers it to submit amendments reducing the rates respectively to 20 per cent minimum and 30 per cent maximum. By a record vote on that amendment the sense of the Senate can be accurately tested on the yarns which enter into the fabrics embraced in other paragraphs, yarns made from hemp, flax, and ramie, concerning which there are a number of committee amendments in paragraph 1004.

Mr. President, with this statement I shall content myself for the present.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The ASSISTANT SECRETARY. The next amendment is, on page 132, in line 12, before the word "cents," to strike out "8" and insert "10," so as to read:

Finer than 12 lea and not finer than 60 lea, 10 cents per pound and one-half of 1 cent per pound additional for each lea or part of a lea, etc.

Mr. ROBINSON. Mr. President, the statements which have already been made respecting other amendments apply with equal force to the pending amendment. I am content to take a vote on the amendment without further discussion.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The ASSISTANT SECRETARY. On page 132, in line 24, the committee proposes to strike out "8" and insert "12," so as to read: "one-half of 1 cent per pound additional for each lea or part of a lea in excess of 12."

The amendment was agreed to.

The ASSISTANT SECRETARY. The next amendment is, on page 133, in line 1, after the word "boiled," where the committee proposes to insert "2 cents per pound; when," so as to read:

And in addition thereto, on any of the foregoing yarns when boiled, 2 cents per pound; when bleached, dyed, or otherwise treated, 5 cents per pound.

Mr. ROBINSON. I ask the Senator from Utah if he can inform the Senate what will be the approximate corresponding ad valorem equivalent for that duty?

Mr. SMOOT. It would be difficult to state, because it covers every count of yarn and is a specific duty. I could not say off-hand. If it were yarns that cost \$1 a pound, it would be 2 per cent. I call the Senator's attention to the fact that it is a reduction from the House rate on boiled yarns. I did not see how it was possible to account for more than 2 cents a pound in the boiling of the yarn. The loss is more when bleached or dyed or otherwise treated. The loss there is 5 cents, but the House provided 5 cents even for the boiling. I could not see how it would be possible to have more than 2 cents loss in boiling. That is the reason why the amendment was made by the committee.

Mr. ROBINSON. I myself think the amendment to which I have referred is an improvement over the House provision in that the committee reduces the protective rate for boiled yarn from 5 cents to 2 cents.

Mr. SMOOT. It is only a compensatory rate, I will say to the Senator, because when the yarn is boiled there is a loss that would equal 3 or 4 per cent, and, as was claimed by the manufacturers, 6 per cent in some cases is involved in the waste.

Mr. ROBINSON. I had assumed that the process of boiling, which is protected by 2 cents a pound, was approximately the same for all yarns.

Mr. SMOOT. No; there is a still further loss, I will say to the Senator, in the dyeing and bleaching and the treatment they may have other than the simple boiling.

Mr. ROBINSON. Of course, the ad valorem equivalent would depend upon the price of the yarns, and the yarns would vary, but what I was trying to do was to secure for the Senate information as to what amount of protection it is proposed to extend to the process of boiling through the 2 cents per pound rate.

Mr. SMOOT. If it were 50 cents a pound, of course 2 cents would be 4 per cent. If it runs down into the real fine yarns, where the price would run up to \$1 a pound, the rate would be 2 per cent.

Mr. KING. Mr. President, I understand the matter before the Senate now is the rate fixed upon what might be denominated the intermediate products—that is, intermediate between the raw product and the finished article which enters into household consumption.

Mr. SMOOT. These are the single yarns.

Mr. KING. As I understand the schedule, we provide very high duties upon the importations of yarns.

Mr. SMOOT. Between 30 and 40 per cent.

Mr. KING. That is done notwithstanding the fact that yarns which are employed in the manufacture of certain products and which are comprised under the schedule are all imported; that is to say, we do not produce them in the United States.

Mr. SMOOT. We produce a considerable quantity of the yarns in the United States.

Mr. KING. I will ask my colleague if the percentage is very great, measured by the entire consumption?

Mr. SMOOT. Hemp yarn for sale in 1919 was 1,455,000 pounds, valued at \$829,000. Flax yarn for sale was 2,622,000 pounds, valued at \$872,000.

Mr. KING. Were those domestic products?

Mr. SMOOT. Those were the domestic products manufactured for sale. I will say that it is difficult to ascertain the consumption. All we can do is to estimate. There are no statistics that we can find, but it is estimated all the way from 18,000,000 to 25,000,000 pounds. That is as near as we can get to it.

Mr. KING. This schedule emphasizes, to my mind, some of the vices which may be developed through an improper protective policy. There is justification, from the protective standpoint, in imposing tariff duties upon imported articles where there is some production in the United States, where the industry may grow to large proportions, and may measurably satisfy the demands of the people; but this schedule deals with flax and jute and hemp, the raw products, the intermediate products, and the finished product. The overwhelming portion of the finished product, the raw products, and all of the grades of intermediates are imported. Now it is proposed to place a heavy rate of duty upon intermediates which are not produced here. That, of course, will raise the price of the intermediates to the purchaser in the United States, and when he manufactures those intermediates into towels or cordage or the various forms of the finished product covered by this schedule, and that high tariff is carried on, of course, to the finished product. Then, in order to take care of those who are engaged in the production of the towels and the cordage and the various forms of the finished product, another very high tariff is imposed. So we have at least two and possibly three rates of tariff imposed upon the very products that finally reach the consumer. Manifestly by the time the consumer buys those products the prices must be inordinately high.

It is obvious that that creates an unhealthful condition; it perpetuates an injustice. Those who support this policy are trying to stimulate industries which are based upon importations, and the importations will always exist or will continue for an indefinite period. A tariff is placed upon the raw products; a tariff is put upon all forms of intermediates; and then a tariff is put upon all forms of the finished product. Thereby the tariffs are pyramided so that the ultimate consumer, the buyer of the finished articles, is compelled to pay enormous prices for them.

Now, is it worth the effort to pursue a policy of that kind? Even protectionists, it seems to me, ought to pause before they consent to adopt a policy that must eventuate in exactly the situation that is disclosed in the consideration of this particular schedule.

Mr. President, if we are producing in the United States raw materials substantially sufficient to care for the wants of the people and desire to encourage the manufacture of those raw materials into the finished product, and therefore favor a reasonable protection to bring that about, that is one thing; but where we import the greater part of the raw material and put a tariff upon that and then put a tariff upon the intermediates that are produced in other countries from similar raw material, and then put a tariff upon the multifarious finished products, we are placing burdens upon the American people which, it seems to me, may not be justified.

I think this entire schedule is wrong, that it is inequitable, and that it ought to be revised. It is not scientific from a protectionist standpoint; it does not measure up to the philosophy and the standard of conduct which are supposed to guide the honest protectionist in his advocacy of the protection policy.

Mr. McCUMBER. Mr. President, the Senator from Arkansas [Mr. ROBINSON] has correctly stated that the decision at which we arrived in fixing the rate in the schedules which he was then discussing must necessarily reach forward into the subsequent paragraphs; the Senator is absolutely correct as to that; but the Senator has already crossed the bridge—at least, the Senate has crossed it for him, for we really started on this scale when we voted for duties of 2 and 4 cents on the raw material. As we have increased those duties, the Senator admits that we must necessarily make a differential in the yarn and another differential in the cloth produced from the yarn.

The only question that is before the Senate, it having decided in the first place to place a duty of 2 cents a pound upon the tow and 4 cents a pound upon the "line of hemp," is whether the additional amount that we are placing upon the yarn and the still further additional amount we are placing upon the fabric are proper and just differentials. I have heard no argument to indicate that the committee have given one penny more than was necessary to make the proper differential, having once adopted the 2-cent and 4-cent rates. So that, Mr. President, this is the only question we have got before us. As the junior Senator from Utah [Mr. KING] has stated, having de-

cided that we will place a duty upon the raw material, it will be carried into the yarn, and from the yarn it will be carried into the fabric, and the junior Senator from Utah thinks that that is a bad policy.

Mr. President, we have a very important silk industry in the United States. We do not produce raw silk here—and yet, should we destroy that industry? Silk is produced abroad and is imported here in its raw state and converted into threads and all kinds of fabrics. A mighty silk industry has been created in the United States. If the theory of the junior Senator from Utah were correct, then we should withdraw all duties and bring every fabric of silk from foreign looms. I think we are justified, Mr. President, in the protection of jute, of ramie, and of flax straw, in order that we may create a linen industry in the United States, just as we have created the silk industry here.

Mr. ROBINSON. Mr. President, just a word in reply to some of the observations which have been made by the Senator from North Dakota. The Senate has not increased the proposed duty on the raw material of flax. It is true that it has increased the duty on hemp, but the Senator will recall that it did that over my persistent and very earnest protest. We have not yet crossed the bridge; we have walked out on it a little distance, but there is ample time for the committee to do in the case of these amendments just what it has done as to hundreds of other amendments in this bill since it first reported it—namely, to correct them to conform to what the facts and the necessities of industry justify.

I have already said that the whole question of the policy which the Senate is to express in this bill respecting duties on flax yarns will be decided in connection with the amendment next to be considered and the amendment which will be proposed to that committee amendment.

With this statement I am ready for a vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The ASSISTANT SECRETARY. In paragraph 1004, page 133, line 4, after the word "yarns," the committee proposes to strike out "not finer than 8 lea shall be not less than 20 per cent ad valorem; on any of the foregoing yarns finer than 8 lea, not less than 23 per cent ad valorem," and to insert "shall not be less than 30 nor more than 40 per cent ad valorem," so as to read:

*Provided*, That the duty on any of the foregoing yarns shall not be less than 30 nor more than 40 per cent ad valorem.

Mr. ROBINSON. Mr. President, this is an important amendment and I think there ought to be more Senators here. I am going to ask for a record vote on this amendment, and so I intend to suggest the absence of a quorum. I am going to present an amendment to the committee amendment and explain it briefly, and then take a record vote on it, because it will have a great influence on the action which the Senate will take subsequently on the paragraphs relating to fabrics of hemp, flax, and ramie.

The PRESIDENT pro tempore. The Chair understands the Senator from Arkansas to suggest the absence of a quorum, and the Secretary will call the roll.

Mr. ROBINSON. Mr. President, before the roll is called I desire to propose the following amendment to the amendment of the committee, namely, to strike out "30" and insert in lieu thereof "40," and to strike out "40" and to insert in lieu thereof "30."

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to change the rate in the amendment of the committee by striking out "30," in the first instance, and inserting in lieu thereof "20," and by striking out "40," in the second instance, and inserting in lieu thereof "30."

Mr. ROBINSON. I now suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Broussard	Glass	Ladd	New
Bursum	Gooding	Lenroot	Newberry
Calder	Hale	Lodge	Norbeck
Capper	Heflin	McCormick	Oddie
Caraway	Jones, N. Mex.	McCumber	Overman
Cummins	Jones, Wash.	McKinley	Pepper
Curtis	Kellogg	McLean	Phelps
Dial	Kendrick	McNary	Pomeroy
Ernst	Keyes	Moses	Ransdell
Frelinghuysen	Kling	Neison	Rawson

Robinson  
Sheppard  
Smith

Smoot  
Spencer  
Sterling

Swanson  
Trammell  
Wadsworth

Warren  
Willis

The PRESIDENT pro tempore. Fifty-one Senators have answered to their names. There is a quorum present. The question is upon the amendment proposed by the Senator from Arkansas to the amendment of the committee.

Mr. ROBINSON. Mr. President, the purpose of this amendment has already been discussed, but only a few Senators were present when that discussion occurred. It is not my intention to go over the matter in detail again, but I feel justified in making a brief statement.

This amendment is so framed and involves such issues that it will determine in large part the policy which the Senate will pursue not only touching yarns of flax, hemp, and ramie, but also fabrics woven from them and materials manufactured out of them. The proposal of the committee is to place a minimum of 30 and a maximum of 40 per cent ad valorem on these yarns. My amendment will reduce the minimum to 20 per cent and the maximum to 30 per cent, and if it prevails it will justify amendments subsequently to be offered to the committee amendments relating to the fabrics and materials manufactured from these yarns, materially reducing them.

As already stated, the object of these high duties on the yarns is to justify very material increases upon the products representing higher stages of manufacture. I think those rates are too high, that the maximum and minimum rates proposed by the committee on the yarns are excessive, and in order to test the sense of the Senate on the subject I have proposed the amendment.

Mr. SMOOT. Mr. President, just a brief statement for the record, and for the record only, so far as that is concerned.

The difference in competitive prices of foreign and domestic flax yarn, as far as the committee were able to ascertain such prices, has determined the rates of duty named. The spinning industry is the key industry of flax weaving in the United States. Consequently the rates of duty provided should be sufficient to maintain this industry in the United States and provide an incentive to its further expansion and the consequent lower cost. At present, it is the practice of many weavers of flax fabrics to import yarn because of cheaper prices. This has reacted against the expansion of the spinning industry in the United States. The spinning industry in the United States should at least have an equal opportunity with the foreign spinner in its own market. This it has not had with the present rates of duty.

The imports of 1921 are less in quantity than the imports of 1914 but greater than the imports of 1910. This is explained by the tremendously decreased use in the world of flax products due to curtailment of flax production in Russia. Relatively, compared with the total production of flax in the world, the imports were greater in 1921 than in 1914. The advantage which the foreign spinner had over domestic spinners can be illustrated by the following price comparisons on dry-spun wett yarns:

The foreign price of 12-lea tow yarns is 22 cents per pound. These are the prices of to-day. Adding the duty of 8.8 cents—40 per cent of 22 in the Senate bill—gives 30.8 cents. The price of the same domestic yarn is 50 cents, the difference representing landing charges and profit. The foreign price of 18-lea tow yarn is 31 cents. Adding the duty of 12.4 cents per pound—40 per cent of 31—gives 43.4 cents. The price of the domestic yarn of the same count and type is 55 cents a pound. The difference, again, represents landing charges and profit.

Mr. President, what the Senator from Arkansas has said is absolutely true. Whatever action we take now upon this amendment will have an effect upon every fabric paragraph in this schedule; and if we adopt a rate now upon the yarns included in this paragraph, it must be carried through all of the paragraphs of the bill. If the amendment of the Senator from Arkansas is agreed to, I want to say frankly to the Senate that the following rates in the fabric schedules ought to be decreased; but under the prices existing to-day there is not any question but that the rates offered by the committee, reduced as they have been, ought to be adopted.

Mr. ROBINSON. Mr. President, with some of the statements contained in the paper just read by the Senator from Utah I find no fault. I want to inform the Senate before the vote is taken that the rates proposed by the committee are substantially double the rates under existing law, and that the rates in the fabric paragraphs are very great increases indeed over those now in force. This will represent a very heavy burden upon the American consumer. The importations are less now than in 1914; production of the raw material has been

curtailed throughout the world; and I do not believe there is any justification for what I term the excessive rates proposed by the committee.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Arkansas to the amendment of the committee.

Mr. ROBINSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. CALDER (when his name was called). Making the same announcement regarding my pair and its transfer as on the last vote, I vote "nay."

Mr. DIAL (when his name was called). Making the same announcement as to my pair and its transfer as on the former ballot, I vote "yea."

Mr. GLASS (when his name was called). Making the same announcement as on the last vote, I vote "yea."

Mr. HALE (when his name was called). Making the same announcement as before, I vote "nay."

Mr. NEW (when his name was called). Repeating the announcement of the transfer of my pair, I vote "nay."

Mr. ROBINSON (when his name was called). Announcing the same transfer of my pair as on the previous vote, I vote "yea."

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COXT] to the senior Senator from Texas [Mr. CULBERSON] and vote "yea."

The roll call was concluded.

Mr. CURTIS. I desire to announce the following pairs:

The Senator from Delaware [Mr. BALL] with the Senator from Florida [Mr. FLETCHER];

The Senator from California [Mr. JOHNSON] with the Senator from Georgia [Mr. WATSON];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Mississippi [Mr. WILLIAMS].

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

The result was announced—yeas 20, nays 37, as follows:

YEAS—20.

Borah	Jones, N. Mex.	Robinson	Swanson
Caraway	King	Sheppard	Trammell
Dial	Myers	Simmons	Underwood
Glass	Overman	Smith	Walsh, Mass.
Heflin	Pomerene	Stanley	Walsh, Mont.

NAYS—37.

Broussard	Jones, Wash.	McLean	Ransdell
Bursum	Kellogg	McNary	Rawson
Calder	Kendrick	Moses	Smoot
Capper	Keyes	Nelson	Spencer
Cummins	Ladd	New	Sterling
Curtis	Lenroot	Newberry	Warren
Ernst	Lodge	Nicholson	Willis
Frelinghuysen	McCormick	Oddie	
Gooding	McCumber	Pepper	
Hale	McKinley	Phipps	

NOT VOTING—39.

Ashurst	Elkins	La Follette	Shortridge
Ball	Fernald	McKellar	Stanfield
Brandegee	Fletcher	Norbeck	Sutherland
Cameron	France	Norris	Townsend
Colt	Gerry	Owen	Wadsworth
Crow	Harrell	Page	Watson, Ga.
Culbertson	Harris	Pittman	Watson, Ind.
Dillingham	Harrison	Poindexter	Weller
du Pont	Hitchcock	Reed	Williams
Edge	Johnson	Shields	

So Mr. ROBINSON'S amendment to the committee amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment of the committee was, in paragraph 1004, page 133, line 10, to strike out "8 lea, 16" and insert "11 lea, 18½," so as to read:

Threads, twines, and cords, composed of two or more yarns of flax, hemp, or ramie, or a mixture of any of them, twisted together, the size of the single yarn of which is not finer than 11 lea, 18½ cents per pound.

Mr. ROBINSON. Mr. President, this amendment is a very material increase, but I am of the opinion that it is consistent with the amendments which the Senate has already agreed to in this paragraph. As I stated a few moments ago, my purpose in offering the last amendment which was rejected by the Senate was to test out the sense of the Senate on the policy of imposing high rates of duty on these yarns for the purpose of justifying the exceedingly high rates on the fabrics and

materials manufactured from them. I shall oppose the adoption of the amendment, but I am ready for a vote.

The amendment was agreed to.

The next amendment was, on page 133, line 11, to strike out "8" and insert "11"; on the same line, to strike out "16" and insert "18½"; and on line 13, to strike out "8" and insert "11," so as to read:

finer than 11 lea and not finer than 60 lea, 18½ cents per pound and three-fourths of 1 cent per pound additional for each lea or part of a lea in excess of 11; finer than 60 lea, 58 cents per pound.

The amendment was agreed to.

The next amendment was, on line 14, after the words "per pound," to insert a semicolon and the following words:

and in addition thereto, on any of the foregoing threads, twines, and cords when boiled, 2 cents per pound; when bleached, dyed, or otherwise treated, 6 cents per pound.

Mr. ROBINSON. Mr. President, I do not believe this amendment is either necessary or justified. Nearly all the yarns to which it applies and to which the rates preceding this amendment apply are bleached or dyed, and it is but another way of adding increased duties upon these yarns. I shall vote against the amendment.

Mr. KING. Mr. President, may I inquire of the able Senator from Arkansas if he is able to advise us approximately the cost of all of the products embraced in this schedule? I appreciate that I am asking a question which may not be answered without a vast amount of research.

Mr. ROBINSON. I do not think it would be physically or mentally possible to answer the question as the Senator has asked it. This is an important schedule, and the imposition of these very high rates, in pursuance of the policy of the Finance Committee, will unquestionably impose a very heavy burden on the consumers of these products; but it would not be possible to state the value of the articles which would be affected by the rates of duty from any information which I have. I do not know whether the senior Senator from Utah can give that information or not. I will say to the senior Senator from Utah that his colleague has asked the value of the products to which this amendment applies, or the probable value of them, so as to reach a conclusion as to the amount of additional cost which would be imposed on the consumers of these commodities by reason of the duty. I take it that is the purpose of the Senator's question?

Mr. KING. It is.

Mr. SMOOT. This provision was inserted for the reason that when linen is boiled it loses from 10 to 20 per cent in weight, according to the time it is boiled. That has been demonstrated not only by practice, but the Tariff Commission itself states that that is the loss in weight. If the rate were 2 cents a pound on 50-cent threads and yarns, it would be 4 per cent, but if a dollar, it would be only 2 per cent, and I can not tell what the price of these would be.

Mr. KING. If my colleague will pardon me, I do not think he quite understood the point I was getting at. This schedule, as my colleague, as the able Senator from North Dakota, and as the Senator from Arkansas have stated, is one of very great importance. It embraces hundreds of articles and commodities which enter into the lives of the people. What I was trying to get at was this: Approximately, what is the wholesale value of all the commodities and products embraced within this schedule?

Mr. SMOOT. No one can tell.

Mr. KING. I appreciated that.

Mr. SMOOT. They run from 12 cents a yard up to \$20 a yard.

Mr. KING. We have statistics as to the value of the articles covered by some of the schedules. For instance, the best figures we have as to the value of all of the products of the chemical industry in 1921 show that they were worth about three billion and between five and six hundred million dollars.

Now, when we know the entire wholesale value of all the commodities and products comprised within the schedule, then we may form some estimate as to the additional cost by reason of the tariff rates. It seems to me that if we are able to ascertain the value of all the chemical products of the United States and all the woolen products of the United States and all the cotton products of the United States—I concede the value, perhaps, may not be accurate—we ought to be able to determine, because the commodities are less in number in this schedule than in the schedules to which I have referred, the aggregate value of all the products found under schedule 10 of the bill.

I am asking the question with a view to showing, if I may in just a moment, the tremendous additional cost to the Ameri-

can people by reason of the very high rates commencing with the raw materials, carried on to the intermediates, and carried still further and transferred to the various finished products embraced within the schedule. For instance, may I invite attention of the Senate briefly to what is embraced within the schedule?

Mr. SMOOT. Does the Senator want me to give him the production in the United States of all items included within the schedule, including linoleum and everything else?

Mr. KING. Yes; the products of jute, hemp, and flax, which are what may be denominated the primary elements or contents in the schedule.

Mr. SMOOT. I shall give in a very few moments the total as reported on the entire schedule.

Mr. KING. While my colleague is doing that I should like to put in the RECORD some of the important items which are embraced within the schedule to show how it affects the great mass of the American people. We are dealing with jute, flax, and hemp, and the intermediate products, yarns of all kinds, all of which bear high rates of duty, and then we come to some of the products, to wit:

Cordage, including cables, tarred or untarred; gill nettings, nets, webs, and seines, and other nets for fishing; hose, suitable for conducting liquids or gases; fabrics, composed wholly of jute, plain woven, twilled, and all others not specially provided for, not bleached, printed, stenciled, painted, dyed, colored, nor rendered noninflammable; woven fabrics of flax, hemp, or ramie, or of which these substances or any of them is a component material of chief value; woven fabrics, such as are commonly used for paddings or interlinings in clothing, composed wholly or in chief value of flax or hemp, or of which these substances are, or either of them is, the component material of chief value; pile fabrics, composed wholly or in chief value of vegetable fiber other than cotton, cut or uncut; table damask composed wholly or in chief value of vegetable fiber other than cotton; towels and napkins, finished or unfinished, composed wholly or in chief value of flax or hemp, or of which these substances are, or either of them is, the component material of chief value; sheets and pillow cases, composed wholly or in chief value of flax or hemp, or of which these substances are, or either of them is, the component material of chief value; fabrics with fast edges not exceeding 12 inches in width and articles made therefrom; tubings, garters, suspenders, braces, cords, tassels, composed wholly or in chief value of vegetable fiber other than cotton; tapes, composed wholly or in part of flax, woven with or without metal threads, on reels, spools, or otherwise; handkerchiefs, composed wholly or in chief value of vegetable fiber other than cotton, finished or unfinished; clothing and articles of wearing apparel of every description, composed wholly or in chief value of vegetable fiber other than cotton, and whether manufactured wholly or in part, not specially provided for; bags and sacks made from plain woven fabrics of single jute yarns or from twilled or other fabrics composed wholly of jute; bagging for cotton, gunny cloth, and similar fabrics, suitable for covering cotton, linoleum, including corticine and cork carpet, floor oilcloth, or rugs made of linoleum or floor oilcloth; common China, Japan, and India straw matting and floor coverings made therefrom; all other floor coverings not specially provided for; matting made of cocoa fiber or rattan; mats made of cocoa fiber or rattan.

So it will be seen that there are hundreds and, indeed, thousands of articles and duties provided for in the schedule.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Utah yield to his colleague?

Mr. KING. I yield.

Mr. SMOOT. The production in the United States of all items falling within this schedule is approximately \$190,000,000 per year.

Mr. KING. That is the wholesale value?

Mr. SMOOT. Yes; the wholesale value.

Mr. KING. Did my colleague, in getting those figures, ascertain the importations?

Mr. SMOOT. No. I can give them to the Senator in a little while, but it will take a longer time than it did to get the production.

Mr. KING. I shall not detain the Senate for that purpose. I have taken the time of the Senate, for which I apologize, to read into the RECORD some of the items of the schedule to show how important it is. Many of us have been passing it along as if it were not important, but it will be observed that substantially all the items or commodities are those which are used to a large extent by the great mass of the people. Of course with these high rates upon the raw material, upon all grades of intermediates, and upon the various forms of the

finished product, all of which rates are pyramided and finally are transferred to the ultimate consumer, it is obvious that the cost to the American public by reason of these enormous tariff rates will be greatly increased.

Mr. McCUMBER. Mr. President, I wish to express very briefly and concisely the reason for giving a 2 cent per pound duty for the boiled. We are giving in the bill 10 cents a pound on these yarns. If a pound is boiled—depending, of course, upon its character, but on the average and the average length of boiling—there will be but eight-tenths of a pound left. Therefore there will be a loss of two-tenths of a pound, or two-tenths of 10 cents, or 2 cents. Hence we add 2 cents per pound for the boiling. If we failed to give the 2 cents per pound, then all would be imported in a boiled condition to lessen the duty. The 2 cents is simply about what would be the average of loss in the boiling.

Mr. SMITH. Mr. President, I want to call attention to some of the fundamental facts underlying this question. According to my information, I understand that of the element out of which these cords and twine and the ultimate woven fabric are made in one particular—that is, the hemp—we produce perhaps about 40 per cent of the hemp that is used, but we do not produce a pound of the other elements included in the schedule.

The American people, the great mass of manufacturers of certain articles, all the farmers of the country, the truck growers, the grain growers, the cotton growers, are dependent upon the manufactured form of the jute, the ramie, and the sisal, and the different forms of coarse cordage or coarse fiber to make the gunny sacks or bagging for the cotton, the bags in which the wheat is shipped, and so forth. All these articles are absolutely essential to enable the farmers of the country to get their products to market.

Everyone knows that we should bend every effort here to try to lessen the cost of the articles upon which the American people are dependent for their daily living; and yet here, as to an article of which we do not produce a pound, we put a duty on the raw material. At a glance that would seem to be all right, even from the Democratic standpoint that it would be a revenue producer; but the moment that duty is paid at the customhouse and the raw material moves to the factory door the manufacturer takes advantage of it, and immediately calls for a compensatory duty on an article which he manufactures for the benefit of those who are to produce the material in this country.

A little later on we will come to the question of cotton bagging. I want to point out to the Senate where there is a peculiarly unjust imposition upon the cotton producers of the country. Every man knows that the American producer of raw cotton sells his cotton under what is known as the c. i. f. and 6 contract—cost, insurance, freight, and 6 per cent deducted for tare, which means the bagging and the ties. Before ever the domestic or foreign buyer purchases a bale of American cotton he knocks off 30 pounds for a 500-pound commercial bale. So the producer of cotton has to buy in a protected market his protected bagging and his highly protected steel ties, and then give them away when he sells his cotton under the deduction of 6 per cent for tare. He takes his free cotton and puts it into protected bagging and protected ties and sells it, and then he loses the bagging and the ties for which he has to pay a high protective price.

I am calling attention to this fact because agricultural operations in this country have become so unprofitable that, according to the last census, the majority of our population are in the cities, the proportion being 52 per cent in the cities as against 48 per cent in the country. Yet we are solemnly proposing to pile up duties on articles which are produced in foreign countries and which their producers are seeking to get in here free to be sold in our market; we stop the raw materials at the customhouse and pile up the duties, which are, of course, passed on to the man who is producing the bread and meat for the 110,000,000 of American people to eat.

Later on I am going to take occasion to elaborate my discussion of this question; but my attention has been called to the fact that in the very first paragraph of the pending bill there has been placed a duty of 2 cents a pound on white arsenic. Up to the present time that article has come in free. How is white arsenic produced? The bulk of it in this country is produced as a by-product from the smelting of copper ores. It is a forced production; those who produce it have to get rid of it, just as it is necessary to get rid of the hulls of the cotton seed in order to get at the meat and the oil in the seed itself.

White arsenic has been upon the free list because not only was it a by-product but it was an essential ingredient of a

material used to keep down the startling ravages of insect pests on the farm. Paris green is used for the potato crop which is grown in Maine and in the West and South; calcium arsenate for the spraying of trees, in order to extirpate the San Jose scale and the brown-tailed moth and other predatory insects that are actually threatening the very existence of our gardens and of our fields. Last has come that pest which is destroying the great cotton crop of the South, the boll weevil. Although the Agricultural Department has spent something like \$12,000,000 in the effort to find some method of controlling the boll weevil, they have not even checked it, until within the last two years, when there has been something of hope held out by the use of calcium arsenate.

Now, just as we have discovered that it would require thousands of pounds of this substance to treat the 35,000,000 acres of cotton which is grown in the South, immediately, for the first time in the history of tariff legislation, a duty of 2 cents a pound is placed upon this essential ingredient of an article which is necessary to protect the fields and the orchards of America.

Who owns the industry producing this commodity? Upon investigation it will be found that those who control the smelting of copper in this country are the ones who have come here and insisted that this duty shall now be placed upon this ingredient the use of which spells the life of agriculture and of our orchards.

Mr. President, I am merely calling attention to this matter to-day. I am going to take occasion to show, or attempt to show, that the imposition of this duty, which unquestionably is an example of shameless favoritism toward one combination and one set of men, will inflict upon the cotton growers of the South alone a burden of \$18,000,000 in the purchase of this poison for use in the effort to eradicate an insect which is threatening the destruction of a billion dollars' worth of property and may wrest from us the cotton supremacy of the world. Yet upon a miserable by-product—and, as I understand, the great Guggenheim interests produce the major part of this ingredient—we propose to levy a duty of 2 cents a pound upon that which we must import; and it is necessary to import it, because from all the sources of supply in America we should not get more than half enough for our necessities, without the promise of ever having an adequate supply. The amendment imposing the duty upon this ingredient having already been agreed to by the Senate, I shall take occasion when the bill comes into the Senate to inform the Senate specifically and minutely as to just what this proposed duty means, from whom comes the request for it, whom it will benefit, and upon whom the burden of the proposed tax will rest.

The same thing is true as to the very schedule the duties in which the Senator from Arkansas [Mr. ROBINSON] has been so faithfully trying to get reduced. The potato crop of this country, the wheat crop, the corn crop, the rye crop—indeed, the entire grain crop—and the cotton crop are dependent in their preparation for market upon this ingredient; and yet the unprotected farmer, who is struggling for existence, must pay a duty and a profit to the domestic producer of this article, for fear that he might suffer competition at the hands of the foreigner who has the raw material and who has the facilities for giving the agricultural industry some little deduction in the price of a material which is essential in preparing crops for market.

Mr. SMOOT. Mr. President, did I understand the Senator from South Carolina to say that the duty of 2 cents a pound on arsenic would cost the cotton growers \$18,000,000?

Mr. SMITH. Yes, sir. When the Senator from Utah makes the computation he will find that the duty will cost the farmers the sum indicated. At the proper time I shall submit a table showing that to be the fact; and I am going to let the statement which I have made stand for this reason: There are 35,000,000 acres in cotton; it takes from 4 to 5 pounds to dust an acre of cotton with this poison, and it should be dusted five or six times a year. When the amount is added up which it would take to control the weevil it will be found that it will cost the planter 50 cents an acre. I am speaking of the cotton grower alone, of course.

Mr. SMOOT. At 2 cents a pound, the cotton growers of the South would have to use 900,000,000 pounds of arsenic to make the cost to them \$18,000,000. I do not think the Senator will say that that amount of white arsenic is used in the South.

Mr. SMITH. I do not intend to go into the particulars now, but later I shall do so; but I say that the duty will cost the planter 50 cents an acre, assuming that half of the crop will be dusted, and if half of the crop is dusted, it will cost the farmers an additional \$18,000,000.

Mr. SMOOT. Of course, I know that in connection with the cotton crop of the South there can not be used more than is produced in all the world. Therefore, I merely rose to call the Senator's attention to the figures, because I thought perhaps the Senator had unconsciously misstated them.

Mr. SIMMONS. Mr. President, I should like to ask the Senator from South Carolina a question.

Mr. SMITH. I was proceeding upon the assumption that we did have an adequate domestic supply, but the fact is that there is not an adequate domestic supply, and that there is an unprecedented demand, because it has recently been discovered that by the use of arsenic the boll weevil at least partially may be controlled. Immediately that is discovered, and knowing that the distress of the cotton growers of the South will create an unprecedented demand, a duty of 2 cents a pound is put on for the benefit of those who want to sell arsenic, which is merely a by-product of the copper mines of the country.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH. I yield.

Mr. SIMMONS. I take it that the Senator means there is not at this time an adequate supply of the material in this country?

Mr. SMITH. There is not.

Mr. SIMMONS. And it is questionable whether, if it were used to the extent that it should be used in order properly to protect the cotton crop against this pest, there is now an adequate supply in the world? If that be so, then the effect of the duty will be to prevent the farmers from securing an adequate supply unless they are willing to pay this additional price, and not only for the imported article but for the article produced in this country.

Mr. SMITH. I will explain clearly, because anyone who is a mere tyro in mathematics can understand exactly the proposition. We had not in this country anything like 50 per cent of the supply necessary to meet the ordinary demand even before the cotton crop came into the equation at all. If we had an adequate supply of this material to meet the demand of the cotton growers to dust their cotton acreage as it should be dusted, and this duty of 2 cents a pound were to be added, it would cost them in addition \$18,000,000.

Mr. SMOOT. Mr. President, I thought, in view of my statement, the Senator perhaps would want to modify his figures as to the proposed duty involving an increase of \$18,000,000 in the cost of arsenic. The greatest quantity of arsenic that was ever produced in the United States was 12,646,000 pounds. Last year we imported about 2,705,000, and the largest importation that ever came into the United States in any year was 7,479,000 pounds. So the greatest amount which it has been possible to have in this country in any one year was 20,000,000 pounds. In order to make a charge of 2 cents a pound equal \$18,000,000, there would be required 900,000,000 pounds, whereas 20,000,000 pounds is the most we have ever had in any one year, taking the domestic production and also the greatest importation.

I simply wanted to say that because I thought the Senator had unconsciously made a misstatement when he said that the duty charge of 2 cents a pound would result in an additional cost of \$18,000,000.

Mr. SMITH. Mr. President, I shall go into the details some time later, but I did not desire at this time to do so, because I did not want to take up the time of the Senate. I simply wanted to call the attention of the public and of the Senate to the fact that the producers of arsenic, instead of being willing at least to contribute a by-product which has been on the free list and which is essential in order to destroy the predatory pest which is threatening to ruin the food and the textile crop of this country, immediately when arsenic begins to show signs of having a tremendous application, demand and are accorded a duty of 2 cents a pound on this product. It is for the benefit of those who are already making their profits out of the main production, namely, out of the smelting of copper, and who are forced by law to capture this arsenate of lead because of its destructive effect on vegetation surrounding the smelters. Now they ask Congress to place a duty of 2 cents a pound on a by-product which is found to be essential in the protection of the crops of this country. In the name of God, where are we going to stop with this protective craze? The smelters do not start out to get the arsenic; they start out to get the lead and copper, but they find they have a by-product which is essential in producing the food which those engaged in the smelting business must eat and the clothes which they must wear. They are not even willing to contribute the by-

product to the general welfare of the country, but hasten to Congress to get a duty on a by-product in order that they may make still further profits out of the things which they produce.

Mr. SMOOT. Mr. President, all I want to say is this: If the 2 cents did apply to every pound of arsenic that has ever been produced in the United States in one year, and did apply to every pound of arsenic that was imported in the highest year of importation, it would amount to about \$400,000, and not \$18,000,000. That is all I want to say.

Mr. SMITH. All right, Mr. President. Let us take the Senator's own figures. An additional 2 cents a pound means, on the 25 pounds that he will use during the season, 50 cents additional per acre. That is what it means.

Mr. SMOOT. They do not use it on the acreage that the Senator says; that is all.

Mr. SMITH. Very well; I am taking you at your own word. You have raised it 50 cents an acre. On every farm of 100 acres you have charged that farmer \$50; on every million acres you have charged \$500,000; on 85,000,000 acres you would charge about \$18,000,000. Those are my figures.

Mr. ROBINSON. Mr. President, I hope we may proceed now with the schedule immediately under consideration. The statement submitted by the Senator from South Carolina is of very great importance, and I am in cordial sympathy with him touching the position that he has taken respecting the duty on white arsenic and also touching the subject of cotton bagging. The latter will be reached in the present schedule in the course of this afternoon, I hope.

Realizing the very great importance of the subjects that have been discussed during the last half hour, inasmuch as the Senator from North Carolina has expressed a desire to conclude this schedule this evening before the Senate adjourns, and that we may make that progress, I hope Senators will find it convenient to confine themselves to a discussion of the questions that are presented in this schedule. I am not minimizing in any degree the importance of the discussion of the Senator from South Carolina. I cordially concur in everything that he has so ably said.

Mr. SMITH. Mr. President, I am only going to take just a second. These were such correlated things that I thought perhaps if the Senate could see that each one of these articles affecting the farmer bore a duty they might be persuaded to slow up at the beginning, so that we would have a clear understanding that the accumulated reductions on these articles might spell some little benefit; but if we allow these to pass without calling attention to those on which we have already put impositions and those that are in the future, it might have an effect upon the immediate schedule.

Mr. KING. Mr. President, I inquired of my colleague a few moments ago as to the total production under this schedule and he very courteously had the figures produced. I have hastily gone over those figures, and later I shall verify them and give to the Senate the result of my computations; but I venture the assertion now—and I feel sure that the computations will justify the statement—that the rates in this schedule will impose upon the American people an unnecessary tax of between twenty-five and forty million dollars.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The ASSISTANT SECRETARY. On line 18, it is proposed to strike out "twines" and to insert the same word "twines" with a comma immediately thereafter.

The amendment was agreed to.

The ASSISTANT SECRETARY. On line 19 it is proposed to strike out "23" and to insert "40," so as to read:

Provided, That the duty on the foregoing threads, twines, and cords shall be not less than 40 per cent ad valorem.

Mr. ROBINSON. Mr. President, I move to strike out "40" and insert "30" in lieu thereof.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on the committee amendment.

The amendment was agreed to.

The ASSISTANT SECRETARY. On line 24 it is proposed to strike out the word "hemp" and the comma, so as to read:

Wholly or in chief value of sunn, or other bast fibers.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 134, line 1, it is proposed to strike out the word "pound" and to insert the same

word "pound" with a semicolon and the following words: "Wholly or in chief value of hemp, 3 cents per pound," so as to make the paragraph read:

PAR. 1005. Cordage, including cables, tarred or untarred, wholly or in chief value of manila, sisal, or other hard fibers, three-fourths of 1 cent per pound; cordage, including cables, tarred or untarred, wholly or in chief value of sunn, or other bast fibers, but not including cordage made of jute, 2 cents per pound; wholly or in chief value of hemp, 3 cents per pound.

Mr. ROBINSON. Mr. President, I presume the committee justifies this amendment on the ground that we have placed a duty of 2 cents a pound on the raw material of hemp. I simply point out the fact that the duty is 3 cents a pound upon a commodity a part of which is hackled, the raw material of which bears a rate of 4 cents a pound, emphasizing most forcefully that the rate of 4 cents a pound on hackled hemp is unreasonable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The ASSISTANT SECRETARY. In paragraph 1006, gill nettings, nets, webs, and seines—

Mr. SMOOT. In line 6, I move to strike out the word "highest."

The ASSISTANT SECRETARY. It is proposed to strike out the word "highest" in line 6 just before the word "rate."

Mr. SMOOT. That simply means that if there were a few threads of a high count the rate would be that of the very highest count, and I do not think that is necessary.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The ASSISTANT SECRETARY. In line 20 it is proposed to strike out "10" and insert "20," so as to make the paragraph read:

PAR. 1006. Gill nettings, nets, webs, and seines, and other nets for fishing, composed wholly or in chief value of flax, hemp, or ramie, shall pay the same duty per pound as the rate imposed in this act upon any of the thread, twine, or cord of which the mesh is made, and, in addition thereto, 20 per cent ad valorem.

Mr. SMOOT. The committee desires to have that amendment rejected.

Mr. ROBINSON. Mr. President, under the rates that have already been agreed upon respecting the raw material, I do not think this is an excessive rate that the Senate committee now proposes. It reduces the rate that the committee originally reported.

Mr. SMOOT. That is right.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The ASSISTANT SECRETARY. In paragraph 1007, page 134, line 10, it is proposed to strike out "26" and insert "17 cents per pound and 20," so as to make the paragraph read:

PAR. 1007. Hose, suitable for conducting liquids or gases, composed wholly or in chief value of vegetable fiber, 17 cents per pound and 20 per cent ad valorem.

Mr. SMOOT. The committee asks that that 20 per cent be changed to 10 per cent.

The ASSISTANT SECRETARY. It is proposed to modify the committee amendment by striking out "20" and inserting "10."

Mr. ROBINSON. Mr. President, that reduces by one-half the ad valorem rate which accompanies the specific rate. The ad valorem rate originally proposed was 20 per cent, and the committee now proposes to make it 10 per cent.

The PRESIDING OFFICER. The question is on the committee amendment, as modified.

Mr. LODGE. Mr. President, I regret that the committee has thought it necessary to report this reduction. I know that since the committee has agreed upon it there is no probability of its being changed; but I simply wish to have printed in the Record a statement from Charles Niedner's Sons Co., who are large manufacturers of this hose.

There being no objection, the letter referred to was ordered to be printed in the Record, as follows:

MALDEN, MASS., April 28, 1922.

HON. HENRY CABOT LODGE,

United States Senate, Washington, D. C.

MY DEAR SENATOR LODGE: May we take the liberty of troubling you again about our difficulties with regard to the new tariff bill as reported out of your Finance Committee?

We are referring to the duty on manufactured linen fire hose, paragraph 1007, and on yarns of which they are made, paragraph 1004.

There are only a few manufacturers of linen fire hose in this country, and we speak for them all.

We requested both before the House and Senate committees that the tariff on finished hose be placed at 50 per cent ad valorem. The Senate bill at present prices amounts to practically 50 per cent. This request was made on the assumption that the tariff on yarns would be no more

than the amount asked for by the yarn manufacturers and as reported in the Fordney bill.

The practical application of the tariff as reported out of the Senate committee increases the duty on yarns and also the duty on hose, but the duty on hose is not increased sufficiently to take care of the increase in the duty on yarns, and it is our opinion that paragraph 1007 should be amended so as to more nearly take up the differential between the two proposed rates. Should the tariff on yarns be passed as reported by the Senate Finance Committee the duty on finished hose is not high enough.

This is so because the English manufacturer can sell his hose for \$1 a pound. His duty under paragraph 1007 would amount to 37 cents, the freight and insurance would bring his cost f. o. b. America's ports, say, \$1.40 per pound, largely on account of the difference between American and English labor.

We are obliged to charge for our hose under the present low tariff on yarns prices ranging from \$1.65 to \$1.78, and necessarily under the increased yarn duties the price would be higher, and in the face of this condition we are wondering what is going to happen to our industry? Frankly, we do not see how we can exist with the tariff on yarns left where it is in paragraph 1004, unless a provision like this is added to paragraph 1007, which will, we think, take care of the situation under the return of normal conditions:

"Provided, That the duty on the foregoing shall not be less than 60 per cent ad valorem."

If this is done the foreign manufacturer will be able to land his hose here on present schedules at around \$1.60 a pound, and we will be able to compete with that within our price ranges. The factor of 60 per cent ad valorem will take care of the declining market abroad in raw material and labor.

The paragraph as we suggest in amendment will be as follows:  
"PAR. 1007. Hose, suitable for conducting liquids or gases, composed wholly or in chief value of vegetable fiber, 17 cents per pound and 20 per cent ad valorem: Provided, That the duty on the foregoing shall not be less than 60 per cent ad valorem."

We are not asking for protection to give us a chance to charge exorbitant prices but merely to have a fair run with foreign competitors, and we do not see how we are going to under these conditions.

Yours truly,

CHAS. NIEDNER'S SONS CO.,  
WM. NIEDNER, Treasurer.

Mr. LODGE. I ask that the paragraphs I have marked in the letter—they are very short—be read from the desk.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

We requested both before the House and Senate committees that the tariff on finished hose be placed at 50 per cent ad valorem. The Senate bill at present prices amounts to practically 50 per cent. This request was made on the assumption that the tariff on yarns would be no more than the amount asked for by the yarn manufacturers and as reported in the Fordney bill.

The practical application of the tariff as reported out of the Senate committee increases the duty on yarns and also the duty on hose, but the duty on hose is not increased sufficiently to take care of the increase in the duty on yarns, and it is our opinion that paragraph 1007 should be amended so as to more nearly take up the differential between the two proposed rates. Should the tariff on yarns be passed as reported by the Senate Finance Committee the duty on finished hose is not high enough.

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We are obliged to charge for our hose under the present low tariff on yarns prices ranging from \$1.65 to \$1.78, and necessarily under the increased yarn duties the price would be higher; and in the face of this condition we are wondering what is going to happen to our industry. Frankly, we do not see how we can exist with the tariff on yarns left where it is in paragraph 1004, unless a provision like this is added to paragraph 1007, which will, we think, take care of the situation under the return to normal conditions.

Mr. LODGE. Mr. President, I simply wanted to call the attention of the Senator from Utah to the point that is made there, that having raised the duties on yarns, the committee have made no corresponding differential for the benefit of this manufacturer of hose.

Mr. SMOOT. I will say to the Senator that we gave the rate on the basis of 20-lea yarn, and that is 17 cents a pound, just as we provide here. We give him the compensatory duty of 17 cents, and then 10 per cent ad valorem on that; and I will say to the Senator that from the importations and the production in the United States under a 4½ per cent equivalent ad valorem to-day the importations do not amount to one-half of 1 per cent. Under those circumstances the committee felt that they could not justify a rate higher than 10 per cent.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The ASSISTANT SECRETARY. On page 134, line 17, it is proposed to strike out the word "pound" and the comma and the words "and in addition thereto, 13," and to insert "pound and 25." It is proposed to modify that by striking out "25" and inserting "15," so that, if amended, the paragraph will read:

PAR. 1008. Fabrics, composed wholly of jute, plain-woven, twilled, and all other, not specially provided for, not bleached, printed, stenciled, painted, dyed, colored, nor rendered noninflammable, 1 cent per pound; bleached, printed, stenciled, painted, dyed, colored, or rendered noninflammable, 1 cent per pound and 15 per cent ad valorem.

Mr. SMOOT. I desire to have that modified to 10 per cent ad valorem.

The ASSISTANT SECRETARY. It is proposed to strike out "25" and in lieu thereof to insert "10."

The PRESIDING OFFICER. The question is on the committee amendment as modified.

Mr. ROBINSON. Mr. President, the ad valorem rate originally reported in the committee amendment was 25 per cent. The committee now proposes to reduce it to 10 per cent. I shall only say that I am in favor of the amendment as now offered.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as modified.

The amendment, as modified, was agreed to.

The ASSISTANT SECRETARY. The committee proposes to insert a new paragraph, as follows:

PAR. 1008a. Woven fabrics, not including articles finished or unfinished, of flax, hemp, or ramie, or of which these substances or any of them is the component material of chief value (except such as are commonly used as paddings or interlinings in clothing), exceeding 30 and not exceeding 100 threads to the square inch, counting the warp and filling, weighing not less than 4½ and not more than 12 ounces per square yard, and exceeding 12 inches but not exceeding 24 inches in width, 60 per cent ad valorem.

Woven fabrics, such as are commonly used for paddings or interlinings in clothing, composed wholly or in chief value of flax, or hemp, or of which these substances or either of them is the component material of chief value, exceeding 30 and not exceeding 110 threads to the square inch, counting the warp and filling, and weighing not less than 4½ and not more than 12 ounces per square yard, 16½ cents per pound—

At this point the committee proposes to modify the amendment by striking out "16½ cents per pound and 25" and inserting "60," so that it will continue—

60 per cent ad valorem; composed wholly or in chief value of jute, exceeding 30 threads to the square inch, counting the warp and filling, and weighing not less than 4½ ounces and not more than 12 ounces per square yard, 9 cents per pound—

At this point the committee proposes to modify the amendment by striking out "9 cents per pound and 25" and inserting "55," so that the remainder will read—

55 per cent ad valorem.

Mr. SMOOT. The committee desires to modify this amendment on page 135, line 3, by inserting "55"; in line 11, in place of "60," to insert "55"; and in line 16, in place of "55," to insert "50."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as thus modified.

Mr. ROBINSON. Mr. President, I am glad that the Senator from Utah has seen fit to reduce the rates which the committee proposes in this connection, but I think that even considering the rates on yarns a further reduction is justified. The very highest grade cotton cloths bear a rate of 45 per cent, and considering the fact that the Senate has agreed to a minimum rate on the yarns which enter into the fabric involved in this amendment of 30 per cent ad valorem, I think the Senate would be justified in fixing the rate at 40 per cent. I therefore move to amend the committee amendment by striking out "55" and making it "45" in line 3, and by striking out "50" at the end of the paragraph and inserting "40."

As all Senators appreciate, this is a very important provision in this bill. Under it will be imported linen cloth, and the manufacture of that commodity is limited to a very small quantity in the United States, so that this is literally a tax on consumption. I do not believe the rate now proposed by the committee is justified, although, as I have stated, it is an improvement over the rate originally reported, and also over the rate proposed by the Senator from Utah in his amendments printed on July 18.

It is noticeable that the action of the committee respecting this matter has undergone three important phases; first, there was the rate reported in the bill, which was, as I understand it, the equivalent of 60 per cent ad valorem in both paragraphs; next, the amendment proposed by the committee on July 18, after the paragraph had been taken up, which contemplated making the rates 55 per cent ad valorem. Now the committee proposes to reduce the rate in the first section of the amendment, line 3, from 60 per cent to 55 per cent, and the last rate, on line 16, from 55 per cent to 50 per cent. My amendment proposes still further reductions, to 45 per cent and 40 per cent, respectively. I do not desire to consume further time in the discussion of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas to the committee amendment.

Mr. SIMMONS. Mr. President, I would like to ask the Senator from Utah one question. This particular paragraph embraces linen fabrics?

Mr. SMOOT. I will say, in brief, that this paragraph covers the competitive articles in the United States. The following paragraphs, I may say, do not cover competitive articles.

Mr. SIMMONS. When the Senator uses the word "competitive," does he mean such articles as are imported into the United States?

Mr. SMOOT. Yes; a great many of them are imported, and a great many of them are made here.

Mr. SIMMONS. By the word "competitive" the Senator has reference to foreign competition?

Mr. SMOOT. Yes; in other words, crashes, hucks, napkins of counts less than 60, and that class of goods.

Mr. SIMMONS. How does the Senator differentiate between the competitive fabrics dealt with and those which the Senator calls noncompetitive fabrics?

Mr. SMOOT. By the rate and the yarn itself. The others would not fall in this paragraph, because they are not made of yarn of the size covered by this paragraph.

Mr. SIMMONS. I understand the Senator, then, as saying that the experts in the department agree with him that this particular paragraph we are dealing with now would embrace those linen fabrics a part of which, consumed in this country, are imported from abroad?

Mr. SMOOT. I can tell the Senator just what the importations were. There is competition in these articles.

Mr. SIMMONS. I want to know if they would include any of those linen fabrics which are not produced in this country at all?

Mr. SMOOT. No; those come in a later paragraph.

Mr. SIMMONS. That is the point I had in mind. This does not include any of the linen fabrics consumed in this country but which are produced abroad?

Mr. SMOOT. For instance, in paragraph 1009, the very next paragraph, it is provided that—

Weaven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber except cotton, or of which these substances or any of them is the component material of chief value, not specially provided for.

Then we propose that there shall be only 40 per cent ad valorem. Those are the articles which come in, and which are not provided for in paragraph 1008.

Mr. SIMMONS. Then, this is intended as a protective tariff?

Mr. SMOOT. It is intended as a protective tariff.

Mr. SIMMONS. And these articles are largely imported; but when you get to the paragraph which deals with articles of linen which are not produced in this country at all, and of which we buy practically our entire supply from abroad, the duty is intended as a revenue duty?

Mr. SMOOT. Forty per cent, intended as a revenue duty.

Mr. POMERENE. What is that paragraph?

Mr. SMOOT. Paragraph 1009.

Mr. ROBINSON. And paragraph 1009a.

Mr. SIMMONS. Mr. President, there has been a great deal of trouble about this linen schedule. There have been a great many protests and a great many complaints about these rates. I do not want to take much time in the consideration of this subject, but I think the quickest way to get rid of it is by asking questions, instead of indulging in argument.

Mr. SMOOT. The protests apply more to paragraph 1009 than to any other, with the exception of the provision in regard to paddings, which fall in paragraph 1008a. It is true that paddings do fall in that paragraph, but there is very little protest, when it is understood that we have fixed a rate of only 40 per cent on fabrics in paragraph 1009.

Mr. SIMMONS. Will the Senator advise me where these fabrics are produced which are covered in paragraph 1008a, about which we are now talking? Where are they produced abroad?

Mr. SMOOT. I think paddings are produced more in England and Scotland.

Mr. SIMMONS. The other articles are produced likewise in England and Scotland, in the main, are they not?

Mr. SMOOT. It is true that Belgium produces quite a large amount of these paddings, too.

Mr. SIMMONS. In view of the fact that the competitive article is produced in England and Scotland and Belgium, largely—I should say more particularly in Scotland, because that is where this industry seems to be strongest—does not the Senator think that the 55 per cent rate is rather high to cover the difference between the cost of production in those countries as compared with the cost of production in this country? Are not the conditions of labor there more nearly comparable with conditions in this country? Are not the conditions of labor there certainly very much more nearly comparable with

conditions here than the conditions of labor here with those in Germany, whose low wages the Senator has been saying justify the imposition of the very high rates the committee has imposed upon certain products in this bill?

Mr. SMOOT. We start out here with a duty upon the raw material. For instance, the yarn in the paddings about which we have just been talking is taxed 40 per cent. The Senator from New Hampshire feels that there ought to be a rate of duty of at least 15 per cent above the rate on the yarn upon the finished product, and I want to say to the Senator from New Hampshire that there is reason in that contention. But the committee thought that that being a cheap product, used by the people from one end of the country to the other, a great quantity being used here, they would only give that differential of 10 per cent. The Senator from New Hampshire offered an amendment to limit the maximum rate to 35 per cent, thus giving the 15 per cent on these paddings, but the committee decided that 10 per cent was enough, and that is all there is to this differential.

Mr. SIMMONS. I am not complaining about the differential.

Mr. SMOOT. Of course, if in conference the rates imposed upon the hemp, hemp tow, and hackled hemp are disagreed to, all of these rates will be lowered. The Senator from North Carolina will be one of the conferees, and we can make it just as it is now—built up from the hemp into the finished cloth in a regular, straight line.

Mr. POMERENE. Mr. President, so that I may be able to follow this discussion, I understood the Senator from Utah to say that the rate was 40 per cent, and the Senator from North Carolina said it was 60 per cent.

Mr. SIMMONS. The Senator from Utah was speaking about the yarn.

Mr. POMERENE. The pending amendment provides for a rate of 60 per cent.

Mr. SMOOT. No; the pending amendment is to strike out 60 per cent and insert 55 per cent.

Mr. ROBINSON. That is not quite correct. I have offered an amendment, which is the pending amendment, to reduce the first ad valorem rate, in line 3, from 55 per cent, as proposed by the committee, to 45 per cent, and in the second instance, the latter part of the paragraph, to reduce the rate from 50 per cent, as now proposed by the committee, to 40 per cent. That would still leave a differential of 10 per cent in each instance.

Mr. SIMMONS. Mr. President, I was discussing this from the standpoint of the amendment of the committee. The committee amendment reduces the 60 per cent to 55 per cent. I understand the Senator now to say that that represents the duty on yarns, which is 45 per cent, plus 10 per cent for the compensatory rate.

Mr. SMOOT. That is on all the paddings—50 per cent on all the paddings.

Mr. ROBINSON. Let me make my statement a little clearer. The maximum rate on the yarn is 40 per cent. That will not be the rate in every instance. In all probability, even if my amendment is agreed to, the differential would average something like 15 per cent.

Mr. SMOOT. I have the figures showing the equivalent ad valorems, and I was really surprised to find how near, based on the prices of to-day, the rates imposed would approximate the 40 per cent. Sometimes the rate is 39.7; sometimes it is 40.5.

Mr. ROBINSON. I reached the same conclusion, figuring on the present prices, because I stated during the course of my remarks that it amounted to a straight ad valorem rate of 40 per cent.

Mr. SMOOT. And I agreed with the Senator.

Mr. SIMMONS. Mr. President, I think we understand each other. In this amendment the Senator is imposing a duty upon cloths enough in excess of that upon yarn to compensate, as he claims.

Mr. SMOOT. Fifteen per cent on the first two brackets, which are the finer goods, and 10 per cent on the subsequent brackets.

Mr. SIMMONS. I am not going to discuss with the Senator whether his compensatory rate measures the increase in the cost or not. It has been very difficult for me to work out the exact amount of duty that should be given to the manufacturer by way of compensation upon his raw material. That is a question for the experts. Assuming that no more has been added for that purpose than is necessary, my point is that the duties upon the yarn are excessive, in my judgment. They ought to be reduced. If they are reduced, then we can, after giving compensation to the manufacturer on the finished article,

reduce that article, in my judgment, very much further. The Senator now says that while he does not propose to do that now, the matter can be adjusted in conference.

Mr. SMOOT. Of course, it will be adjusted if the rates upon the raw products are disagreed to in conference; but as long as the Senate has acted upon them and the rates are imposed, these rates must in all fairness, I think, be adopted.

Mr. ROBINSON. To carry the argument a little further, if the Senator wants to reduce the tariff on the yarn and get a way to make probable that result, he should reduce the rate on the manufactured article.

Mr. SMOOT. We want to be consistent, however.

Mr. ROBINSON. I would like to be certain to get this controversy well into conference, so that no question can arise as to the power of the conference to deal with it. I believe that with the adoption of the amendment which I have proposed, the yarn rates will be materially reduced, and that unquestionably ought to be done.

Mr. SIMMONS. Mr. President, we can not at this stage reduce the House rate. We can, however, when the bill gets in the Senate, then offer amendments to reduce the House rates upon yarn, and I want to give notice now that when the bill gets into the Senate I shall seek to reduce the House rates upon yarn. I shall do that for the purpose, first, of getting at these rates upon a fair basis; and, secondly, for the purpose of further reducing the rates proposed upon the finished products. I think both are excessive, but I recognize that the rate upon the finished product is excessive largely because of excessive rates upon the raw material. We have to go to the bottom of the thing before we can properly correct it. We are in such a situation that we can not at this stage, in my judgment, fully correct the vice that is in the arrangement.

Mr. POMERENE. Mr. President, these rates, both upon the raw material and upon the finished product, have been changed from the time of the original presentation of the bill and the pending amendment. I, like other Senators, have had a good many protests against the rates in this schedule. I have here a letter from the manager of one of the leading hotels in Cincinnati. This hotel is obliged to keep in stock about \$30,000 worth of table and bed linen. They say that they consume about that amount each year. They are very greatly disturbed about this rate because, they say, it is going to increase enormously the prices that they must pay for these linens. I want to read a paragraph from the letter, and I would like the attention particularly of the senior Senator from Utah. After speaking of the advance in the rate—and I have not been able to compare his statement as to these rates with the pending amendment—the writer of the letter said:

By way of explanation, napkins such as we use here, 22 inches by 22 inches, which now sell to us at \$14 per dozen, would sell for \$28 to \$35 per dozen. This is only one item. We use here 3,000 dozen napkins a year. We use 500 dozen various sized table tops and cloths, ranging in price from \$4 to \$10 each. We carry a reserve stock of \$30,000 worth of linen, and we have in service an equal amount—

Which, he says, is worn out every year.

Mr. SMOOT. I want to say to the Senator that every item mentioned in the letter will have more than 120 threads to the square inch and will not fall under this paragraph. It will fall in the next paragraph. I have already given notice that that will be reduced to 40 per cent, which is only 5 per cent above the present rate.

Mr. POMERENE. Does the Senator mean paragraph 1009?

Mr. SMOOT. Yes. Not only that, but I will say to the Senator at this time that I expect to offer a new paragraph, following paragraph 1009, to read as follows:

PAR. 1009a. Plain woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber, except cotton, weighing less than 4½ ounces to the square yard, 35 per cent ad valorem.

Mr. POMERENE. What does that mean?

Mr. SMOOT. It means that on all linen goods coming into this country, weighing less than 4½ ounces to the square yard, there will be a rate of only 35 per cent ad valorem. It means such articles as handkerchiefs, dress goods, and so forth. But every article mentioned in the letter which the Senator read will carry more than 120 threads to the square inch and, therefore, will fall under paragraph 1009, woven fabrics, and the rate will be only 40 per cent. The existing rate is 35 per cent. What the hotel people have written about is based, I have no doubt, upon a newspaper report stating that all linens would be advanced to 60 per cent ad valorem. They have not noticed, for of course they have had no chance to do so, just what the provision actually provided.

Mr. POMERENE. I know the manager very well. He is a very high-class and very able man and usually knows what he is talking about.

Mr. SMOOT. It is very natural for him to write the letter on statements which have been made in the public press about the rates upon linen. Of course, he would take that for granted. But I say to the Senator now that the very articles which he uses, such as napkins, tablecloths, and things of that kind, will have more than 120 threads to the square inch and, therefore, will not fall under paragraph 1009.

Mr. POMERENE. I am not advised as to the source of his information. I have other letters—I am not going to take the time of the Senate to read them—which speak of the tremendous increase in the prices of these articles under this paragraph. I am glad the Senator is modifying the amendment in the way he has stated.

Mr. SMOOT. The committee reported paragraph 1009 at 50 per cent, which was 15 per cent more than the existing law. That caused a protest, not only from hotel keepers, but everybody else interested.

Mr. POMERENE. All the dry-goods people in Ohio are protesting against it.

Mr. SMOOT. I said it was not only the hotel keepers, but people who use linen sheets and linen goods generally. Instead of having the 50 per cent rate, the committee reduced it to 40 per cent, which, as I said, is only 5 per cent above the existing law. That does not mean protection. That is a revenue measure pure and simple.

Mr. POMERENE. When we speak of encouraging the growth of flax, and hemp, and so on, I thought it was intended as a protection measure.

Mr. LODGE. Mr. President, may I ask the Senator from Utah a question?

Mr. SMOOT. Certainly.

Mr. LODGE. The paragraph about which the Senator has been speaking applies also to table damask?

Mr. SMOOT. Yes.

Mr. LODGE. Table damask and the different linens are not made here at all and never have been.

Mr. SMOOT. That is correct, and that is the reason why the committee now offers the rate on the plain woven fabrics, weighing less than 4½ ounces per square yard. They are not made in this country, to speak of, and it was thought they should take the rate of 35 per cent ad valorem, just the rate provided in the existing law.

Mr. POMERENE. I realize, of course, that we must have revenue. I realize that this is very largely a revenue item. At the same time the writer of the letter to which I have referred presents his protest along this line. The hotel he represents has been trying to reduce its rates for the general traveling public, and there is that feeling generally among hotels. There certainly is such a feeling among the general traveling public. To increase the rates as they were under the bill as originally offered would very much advance the cost of the articles about which we have been talking. It is simply another reason why the rates of entertainment at hotels can not be decreased; at least it would be used as an excuse.

Mr. LODGE. Mr. President, the fabrics covered by the paragraph which we have been discussing and the fine linens referred to on the next page, table damasks and damask napkins, and so forth, are not made in this country and never have been. I do not pretend to know the precise reason why, but, apparently, we can not make these fine linen products here. Therefore this is purely a revenue duty. It is not protection, because there is no industry to protect.

I am very glad that the committee have reduced the rate. I should have been glad to have the rates left at the existing revenue rates, but the increase is very slight. I am not surprised that the gentleman to whom the Senator from Ohio referred has been misled. I should think he would be. He has been misled by the advertisements which fill the newspapers, and which are intended, of course, to prepare the public for very great advances in all prices, which do not correspond always with the rates proposed in the bill. That the gentleman should have been misled, as thousands of others have been misled, is most natural. It is a good illustration of the way in which tariff rates, whether proposed or adopted or modified or whatever may be done with them, are fixed arbitrarily in many of the advertisements and then the confiding public notified of a great advance as a result.

Mr. SIMMONS. Mr. President, I would like to ask the Senator from Massachusetts a question. The Senator said just now that we could not produce any of these linens in this country except certain specified articles which he mentioned.

Mr. LODGE. I said they never have produced them, and apparently could not produce them.

Mr. SIMMONS. That is, towels and things of that sort?

Mr. LODGE. I was referring particularly to the two paragraphs on page 136, table damask, towels, sheets, and pillowcases, which I take to be very fine linen.

Mr. SIMMONS. We do not produce those?

Mr. LODGE. No; nor do we produce any fine damasks, so far as I am aware.

Mr. SIMMONS. But we do produce a small quantity of linen goods in this country. I think they are used chiefly, though, for towels and napkins.

Mr. LODGE. Yes; we produce some linen for towels and crash and some of the coarser linens that have, as I understand, protective rates.

Mr. SMOOT. But we hardly ever produce a linen of over 60 threads to the square inch. We have gone as high as 100 threads, but this duty applies to 120 threads.

Mr. SIMMONS. I want to ask the Senator from Utah if we import the yarns out of which linen napkins and towels are made in this country?

Mr. SMOOT. No, I will say to the Senator, we can not finish them in this country any better than other countries can finish them. In addition to the peculiar process employed there must be certain conditions as to water, climate, and so forth. It is very difficult to finish a very fine piece of linen. The Senator from North Carolina, of course, knows that.

Mr. SIMMONS. I understand perfectly well that we can not compete and we do not attempt to compete with Scotland, England, and Belgium in the production of fine linen, but we do compete with them as to certain other coarse linens, such as towels, and we make a considerable quantity of those.

Mr. LODGE. We make some of the coarser linens.

Mr. SIMMONS. The domestic production amounts to about 2 per cent of our consumption, and we import the remaining 98 per cent.

Mr. LODGE. The Tariff Summary says our production of the fine linens is negligible.

Mr. SMOOT. They fall in paragraph 1013.

Mr. SIMMONS. It is as to the proportion which we produce in this country that I am trying to direct the attention of the Senator from Utah. I desired to find out from the Senator, if I could—he has probably investigated this matter a little more thoroughly than I have for the framer of a bill always investigates the bill, or should investigate it, more thoroughly than do those who are to pass upon it; that is, as to the details and the minutiae—whether the yarns out of which we make this 2 per cent of linen cloths which are consumed in this country are spun in this country or whether they are yarns which we import?

Mr. SMOOT. I think the Senator from North Carolina has reference to paragraph 1013, which provides:

PAR. 1013. Towels and napkins, finished or unfinished, composed wholly or in chief value of flax or hemp, or of which these substances are, or either of them is, the component material of chief value, not exceeding 120 threads to the square inch.

We do not make any of these articles above 120 threads; in fact, we do not make any above 100 threads. We do make the threads out of which are produced towels and napkins, which are provided for in paragraph 1013; but, I repeat, we do not make any threads above 120—

Mr. SIMMONS. But do we make in this country all of the yarns that are needed in the production of the towels which we manufacture?

Mr. SMOOT. The regular manufacturer who goes into the particular line to make a business of it, without depending upon any country in the world, makes his own yarn. If he did not do that and if there were no yarns made in this country, if all the yarns had to be imported, the foreign manufacturers could control this market.

Mr. SIMMONS. But can the Senator tell me what proportion of yarns that are actually used in the manufacture of linens produced in this country are imported and what proportion of them we produce in this country? We do not import any yarns at all except for the purpose of manufacturing low-grade linen goods that are made in this country; the remainder of the linen goods are produced elsewhere; and therefore we do not have to import yarns for them.

Mr. SMOOT. The towels and napkins that are made here are of threads less than 120, and while I could not say just what the proportion is, we manufacture the great bulk of those yarns. However, it is a commercial impossibility to spin thread here over 120, or I might say, indeed, over 100, and very seldom over 60.

Mr. SIMMONS. The yarns which are used in the manufacture of linens here are yarns of less than 120 threads.

Mr. SMOOT. The yarns that are made in this country are yarns of less than 120 threads.

Mr. SIMMONS. The point I am trying to get the Senator's mind directed to is, first, do we in this country spin all the yarns that are needed in the manufacture of the 2 per cent of the linen goods which we produce? Of course, those yarns would be of a grade less than 120. I am asking these questions because I have a letter here in which the complaint is made that the manufacture of linen in this country might be extended so as to include other things besides towels and that class of goods but for the fact that the duty upon the yarns is fixed so high as to be practically prohibitory.

Mr. SMOOT. I do not think that is true on the counts of yarns that would go into that class of goods. The real truth of the matter is that there are very few linen goods made in the United States containing more than 60 picks to the square inch.

Mr. SIMMONS. Why could not the Committee on Finance meet the situation by imposing a very much less rate of duty upon yarns below 120?

Mr. SMOOT. If we did that we should destroy the yarn industry that goes into the very goods that we make in this country, and that, of course, we must not do.

Mr. SIMMONS. Of course, we do not want to destroy it.

Mr. SMOOT. But that would do it.

Mr. SIMMONS. But, for the purpose of extending the industry, we might impose duties which put it upon a competitive basis and enable the industry to expand.

Mr. SMOOT. On these low counts we have placed competitive duties.

Mr. SIMMONS. This letter I have says they are not; it says they are practically prohibitory.

Mr. SMOOT. I will say to the Senator that a great many manufacturers now import those yarns into this country.

Mr. SIMMONS. I have no doubt they have to import some.

Mr. SMOOT. The man who only manufactures napkins or towels and whose plant is not equipped except to weave them and finish them, who has no spinning capacity and no carding capacity or dyeing capacity, of course, would like to get the yarn in here just as cheaply as possible.

Mr. SIMMONS. I had this idea in mind, and it came to me from reading the letter; I realize the fact that we are not in a position, and probably are not going to be in a position, to compete with other countries in the production of very fine linen; but we have demonstrated the fact that we can compete in the production of certain coarse linens. We are now producing only 2 per cent of the linens that we consume in this country, and they are of the coarser grades. There is no reason why this industry should not be expanded and why the domestic manufacture of coarse linens should not be enlarged and increased. There is no reason why it should be confined to the use of the small amount of raw material that is produced here. If we can compete in the manufacture of the coarse goods to a limited extent we could compete to a large extent, and probably might become exporters. The letter which I have suggests, as I understand, that this industry—that is, the manufacture of coarse linen such as we are now manufacturing—could be greatly increased and enlarged, provided the duty upon the coarse yarns below 120 were reduced so as to permit of expansion. Now, the manufacturers are very largely confined in their production to the use of the yarns which we produce in this country, which is a very small quantity, because we produce but a very limited quantity of hemp and flax.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Arkansas to the committee amendment as modified.

Mr. GOODING. I send to the desk a resolution and ask that it may be read.

Mr. ROBINSON. What is the request of the Senator?

Mr. GOODING. I ask that a resolution may be read.

Mr. ROBINSON. Mr. President, will not the Senator withhold his resolution for the present?

Mr. GOODING. How long does the Senator ask to have it withheld?

Mr. ROBINSON. I object to the presentation of the resolution at this time.

The PRESIDING OFFICER. Objection is made. The question is on the amendment offered by the Senator from Arkansas to the committee amendment as modified.

The amendment to the amendment as modified was rejected.

The PRESIDING OFFICER. The question now recurs on the committee amendment as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The READING CLERK. In paragraph 1009, page 135, line 17, after the word "including" it is proposed to strike out "article," and insert "articles."

The amendment was agreed to.

The next amendment of the Committee on Finance was on the same page and paragraph, in line 21, after the word "four" to strike out "28" and insert "50"; so as to read:

PAR. 1009. Woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber except cotton, or of which these substances or any of them is the component material of chief value, not specially provided for, 50 per cent ad valorem.

Mr. SMOOT. I desire to modify that amendment by inserting "40" instead of "50."

Mr. ROBINSON. Mr. President, I move to strike out "40," in the committee amendment as now offered, and to insert "35" in lieu thereof. This paragraph has undergone a very material evolution. The committee first reported a rate of 50 per cent; subsequently the committee proposed an amendment reducing the rate to 45 per cent; and now it proposes to reduce the rate to 40 per cent. I am, of course, in favor of the committee amendment if the amendment which I have offered can not be agreed to, but it has been stated repeatedly during the debate, both by the Senator from Utah and the Senator from Massachusetts, that the rate in this paragraph is purely a revenue rate, there being no competition in the articles which are embraced in it. The present rate is 30 per cent, and I believe that the public interest would be conserved by retaining that rate. It was fixed as a revenue rate, and I have, therefore, moved to modify the amendment as now offered by the Senator from Utah by striking out "40" and inserting "35" in lieu of it. I ask for a vote on my amendment to the committee amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas to the amendment of the committee as modified.

The amendment to the amendment as modified was rejected.

The PRESIDING OFFICER. The question now is upon the committee amendment as modified.

The amendment as modified was agreed to.

Mr. SMOOT. I send to the desk an amendment which I offered to the bill.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 135, after line 21, it is proposed to insert a new paragraph, as follows:

PAR. 1009a. Plain-woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber, except cotton, weighing less than 4½ ounces per square yard, 35 per cent ad valorem.

Mr. ROBINSON. Mr. President, I propose an amendment to the committee amendment, as follows: Strike out "35 per cent ad valorem" and insert "30 per cent ad valorem."

This paragraph relates to noncompetitive articles, and, as stated by the Senator from Utah and the Senator from Massachusetts, is purely for revenue purposes. To reduce the rate to 30 per cent would be beneficial and wholesome; it would be a very reasonable revenue rate. I do not think that a rate of 35 per cent could very well be justified as a revenue rate.

I therefore ask for a vote on my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is upon the amendment offered by the committee.

The amendment was agreed to.

The READING CLERK. On page 135, the committee proposes to strike out lines 22 to 25, and on page 136, lines 1 to 3, both inclusive, in the following words:

PAR. 1010. Woven fabrics, composed wholly or in chief value of flax, hemp, or jute, exceeding 30 and not exceeding 100 threads to the square inch, counting the warp and filling, and weighing not less than 4½ and not more than 12 ounces per square yard, such as are commonly used as paddings or interlinings in clothing, 33½ per cent ad valorem.

Mr. ROBINSON. Mr. President, that has been inserted in paragraph 1008a, which has already been disposed of by the Senate; and therefore there can be no objection to agreeing to the amendment, except such objection as I have offered to the other amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The READING CLERK. On page 136, line 8, it is proposed to strike out "33½" and insert "50," so as to make the paragraph read:

PAR. 1011. Pile fabrics, composed wholly or in chief value of vegetable fiber other than cotton, cut or uncut, whether or not the pile covers the whole surface, and manufactures in any form, made or cut from any of the foregoing, 50 per cent ad valorem.

Mr. SMOOT. Mr. President, I want that modified to 45 per cent, so that all of the pile fabrics shall conform to the pile

fabrics in the cotton schedule. We have them there at 45 per cent, and we desire to put them here at the same rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as modified.

The amendment as modified was agreed to.

The READING CLERK. On page 136, line 11, it is proposed to strike out "28" and insert "50," so as to make the paragraph read:

PAR. 1012. Table damask composed wholly or in chief value of vegetable fiber other than cotton, and manufactures composed wholly or in chief value of such damask, 50 per cent ad valorem.

Mr. SMOOT. I ask to make that 40 per cent, Mr. President.

The READING CLERK. The amendment is modified by inserting "40" instead of "50."

Mr. ROBINSON. Mr. President, this amendment has undergone the same process of evolution that other amendments in the paragraphs recently reconsidered have undergone. I propose to modify the committee amendment by striking out "40" and inserting "35."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas to the amendment of the committee as modified.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on the committee amendment as modified.

The amendment was agreed to.

The READING CLERK. On page 136 the committee proposes to strike out paragraph 1013, being lines 13 and 14, and to insert in lieu thereof the following:

PAR. 1013. Towels and napkins, finished or unfinished, composed wholly or in chief value of flax, or hemp, or of which these substances are, or either of them is, the component material of chief value, not exceeding 120 threads to the square inch, counting the warp and filling, 55 per cent ad valorem; exceeding 120 threads to the square inch, counting the warp and filling, 40 per cent ad valorem; sheets and pillowcases, composed wholly or in chief value of flax, or hemp, or of which these substances are, or either of them is, the component material of chief value, 40 per cent ad valorem.

Mr. SMOOT. Mr. President, I want to say that the first part of the paragraph covers the competitive articles, and we have already voted upon them at 55 per cent. The other two parts of the paragraph cover the noncompetitive articles, and we have already voted for 40 per cent upon them.

Mr. ROBINSON. Yes, Mr. President, but we will vote on the matter again.

Mr. SMOOT. That is all right.

Mr. ROBINSON. This paragraph relates to articles of common use, absolute necessities, and I believe that a lower rate is justified in all fairness and good reason. I therefore propose to modify the committee amendment as follows:

In line 19, strike out "55" and insert "45."

In line 21, strike out "40" and insert "30."

In line 24, strike out "40" and insert "30."

The PRESIDING OFFICER. The question is on the amendments offered by the Senator from Arkansas to the amendment of the committee.

The amendments to the amendment were rejected.

The PRESIDING OFFICER. The question now is on the committee amendment as modified.

The amendment, as modified, was agreed to.

The READING CLERK. On page 137, in paragraph 1014, line 2, it is proposed to strike out the word "therefrom" with a comma and to insert the same word "therefrom" with a semicolon.

The amendment was agreed to.

The READING CLERK. On line 4, after the word "tassels," it is proposed to insert a comma and the word "and," so as to read: "tassels, and cords and tassels."

The amendment was agreed to.

The READING CLERK. In line 4, after the word "wholly," it is proposed to insert the words "or in chief value," so as to read:

All the foregoing composed wholly or in chief value of vegetable fiber other than cotton.

The amendment was agreed to.

The READING CLERK. On line 5 it is proposed to strike out the word "wholly."

The amendment was agreed to.

The READING CLERK. In line 6 it is proposed to strike out "and not specially provided for, 28," and to insert "50," so as to read:

PAR. 1014. Fabrics with fast edges not exceeding 12 inches in width, and articles made therefrom; tubings, garters, suspenders, braces, cords, tassels, and cords and tassels; all the foregoing composed wholly or in chief value of vegetable fiber other than cotton, or of vegetable fiber other than cotton and india rubber, 50 per cent ad valorem—

And so forth.

Mr. SMOOT. Mr. President, I want to strike out "50" and insert "35." The rate under the existing law is 30 per cent.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

Mr. ROBINSON. I move to modify the committee amendment by striking out "35" and inserting "30."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on the committee amendment as modified.

The amendment as modified was agreed to.

The READING CLERK. On line 10 it is proposed to strike out "23" and insert "40," so as to read:

Tapes composed wholly or in part of flax, woven with or without metal threads, on reels, spools, or otherwise, and designed expressly for use in the manufacture of measuring tapes, 40 per cent ad valorem.

Mr. SMOOT. I ask to strike out "40" and insert "30."

Mr. ROBINSON. Mr. President, the present rate is 20 per cent, and I suggest to the Senator from Utah that he make that 25 per cent.

Mr. SMOOT. I will say to the Senator that if he will look up the importations here, he will find, I think, that they will justify the 30 per cent in this case, if 35 per cent is placed on the others.

Mr. SIMMONS. You had a difference of 10 per cent in the original amendment. Why not retain that same difference?

Mr. SMOOT. No.

Mr. SIMMONS. Yes; you had 50 and 40.

Mr. SMOOT. That is the way we had it; but really I think that the differential between the two items as first reported was hardly sufficient, and we have cut it to 35 and 30.

Mr. ROBINSON. Mr. President, under a rate of 20 per cent the importations for 1920 were less than \$4,000. I respectfully suggest that that fact discloses that there is no great necessity or justification for so large an increase in this rate.

I move to modify the committee amendment by striking out "30" and inserting "25."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on the committee amendment as modified.

The amendment as modified was agreed to.

The READING CLERK. On page 137, line 14, the committee proposes to strike out "33½" and insert "50," so as to read:

PAR. 1015. Handkerchiefs composed wholly or in chief value of vegetable fiber other than cotton, finished or unfinished, not hemmed, 50 per cent ad valorem—

And so forth.

Mr. SMOOT. I ask that that be made 35 per cent. That is exactly the same rate as in the existing law.

Mr. ROBINSON. That is my understanding.

The PRESIDING OFFICER. The question is on the committee amendment as modified.

The amendment as modified was agreed to.

The READING CLERK. On page 137, line 15, it is proposed to strike out "36" and insert "or unfinished, having drawn threads, 60," so as to read:

Hemmed or hemstitched, or unfinished, having drawn threads, 60 per cent ad valorem.

Mr. SMOOT. I ask to strike out "60" and insert "45."

Mr. ROBINSON. Mr. President, the present rate is 40 per cent. With respect to this paragraph, the committee amendments make very material reductions from the proposals originally submitted by the committee. The first amendment contemplated a rate of 50 per cent and the second 60 per cent. By a vote of the Senate the first amendment has already been reduced to 35 per cent, which is the present rate, and now it is proposed to impose a duty of 45 per cent, or 5 per cent in excess of the present rate, as to the remaining classification.

Mr. SMOOT. I will say to the Senator that that is the 10 per cent additional for hemstitching, and that 10 per cent has been carried through the bill.

Mr. ROBINSON. I move to strike out "45" and insert "40."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is upon the committee amendment as modified.

The amendment, as modified, was agreed to.

The READING CLERK. On page 137, line 20, it is proposed to strike out "33½" and to insert "35," so as to read:

PAR. 1016. Clothing, and articles of wearing apparel of every description, composed wholly or in chief value of vegetable fiber other than cotton, and whether manufactured wholly or in part, not specially provided for, 35 per cent ad valorem.

And so forth.

Mr. SMOOT. Mr. President, that is a reduction of 5 per cent from the existing law.

Mr. ROBINSON. Under the conditions that prevail, does not the Senator think that further reductions are necessary and justified? The fact that the committee, from its investigations and studies of the subject, has seen fit to reduce the rate 5 per cent—

Mr. SMOOT. I will say to the Senator that the committee did not feel like reducing it lower than the low rate proposed here. The rate on the cloth alone is this much, and we have not given any protection whatever for the making of those articles over and above the cloth itself. I recognize and the committee recognized that we can make those goods in this country as cheaply as they can be made anywhere in the world, and therefore we gave them not a penny of protection over and above what was granted to the cloth.

Mr. ROBINSON. I appreciate the action of the committee in reducing the rate. I wish that it had seen fit to reduce it still lower. As everyone knows, these are articles of general and common use; but under the circumstances I shall not oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The READING CLERK. On the same page, line 22, it is proposed to strike out "28 cents per dozen and, in addition thereto, 17," and to insert "40 cents per dozen and 20," so as to read:

Shirt collars and cuffs, composed wholly or in part of flax, 40 cents per dozen and 20 per cent ad valorem.

Mr. SMOOT. Mr. President, in that amendment on line 23 I desire to strike out "20" and insert "10," so that it will read:

Forty cents per dozen and 10 per cent ad valorem.

Mr. ROBINSON. Mr. President, that is a material reduction in the rate which the committee at first reported. It cuts in two the ad valorem rate coupled with the specific rate.

Mr. SMOOT. I will say to the Senator that the equivalent ad valorem is 25 per cent, and the existing law is 30 per cent. This is 5 per cent less than the existing law.

Mr. ROBINSON. I think the rate is very reasonable.

Mr. SIMMONS. Mr. President, I just want to say that if the committee in the beginning had been as liberal in its rates and had come as near to the rates of the present law as it has in the last two or three paragraphs that we have considered, we probably would have had less discussion in the consideration of this measure.

Mr. ROBINSON. As a matter of fact, the rates reported by the committee this afternoon as to nearly all the paragraphs that have been considered have been very material and important reductions. There is no question about that, and I am glad to see that the committee has taken that course. The fundamental mistake that has been made by the committee and by the Senate in connection with this schedule is in the imposition of high rates of duty on the raw materials, hemp and jute, and on the yarns which are produced from those raw materials. I express the hope that in its rapid and very manifest reform the committee will see the error of its way and find a process by which the rates on raw materials, which I think now are generally regarded in the Senate as too high—on hemp, particularly—may be reconsidered.

I do not care to take further time of the Senate to discuss that subject. It is an important one, and I believe that careful study of it from the standpoint of those who present this bill will lead to the inevitable conclusion that the rates which the Senate has heretofore voted on the raw materials and the yarns involved in this schedule, at the instance of the Finance Committee, are unnecessary and unjustified even from the standpoint of protection, and that, therefore, they ought to be modified very materially.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

The amendment as modified was agreed to.

Mr. SMOOT. I ask that paragraphs 1017 and 1017a may go over.

Mr. ROBINSON. In that connection I ask that paragraph 1017 and 1018 may go over until next week.

Mr. SMOOT. In paragraph 1018 we have proposed to change the 25 per cent on floorcloth to 20 per cent. If the Senator wants the paragraph to go over, I am willing.

Mr. ROBINSON. Paragraph 1017a unquestionably should go over, because that will involve quite a prolonged discussion. I ask that it may go over until next week.

Mr. SMOOT. That is satisfactory.

Mr. ROBINSON. As to paragraph 1017a, I ask that it may go over until Monday or some other day next week. As to paragraph 1018—

Mr. LODGE. We might dispose of that.

The PRESIDING OFFICER. Without objection, paragraph 1017 will go over until Monday.

Mr. SMOOT. I want to say to the Senator that the rate of 35 per cent, which is proposed here, is the rate in the existing law.

Mr. SMITH. That is the paragraph which refers to linoleum?

Mr. SMOOT. Yes. On floorcloth, I am going to ask that the committee disagree to the 25 per cent and make it 20 per cent. That is on the foreign valuation instead of the American valuation. Not only that, but I want to call the Senator's attention to the fact that under the existing law the rate is 35 per cent, and linseed oil was almost free, but now it is carrying a duty of 3½ per cent. Not only that, but the rate on the burlap which goes into the linoleum has been increased on account of the increase in the rates on hemp, hemp tow, and hackled hemp. Everything that goes into the linoleum is increased, and yet we give it the same rate as that under the existing law.

Mr. ROBINSON. The rate on plain linoleum is now 30 per cent.

Mr. SMOOT. That is the plain linoleum; but, of course, we include all.

Mr. ROBINSON. The Senator from Utah states that the rate now proposed is the same as that prevailing under the existing law?

Mr. SMOOT. Yes; on all figured linoleum, except only the plain, and the Senator knows there is hardly any plain linoleum used now to speak of.

Mr. ROBINSON. I have no objection to disposing of paragraph 1018 now, unless some other Senator has.

The next amendment was, on page 138, at the beginning of line 13, before the words "per centum," where they occur the first time, to strike out the figures "28" and to insert "35," so as to read:

PAR. 1018. Linoleum, including corticine and cork carpet, 35 per cent ad valorem.

The amendment was agreed to.

The next amendment was, on page 138, line 13, to strike out "20" and insert "25."

Mr. SMOOT. I ask that that be disagreed to.

Mr. ROBINSON. In that request I concur, of course.

The amendment was rejected.

Mr. SIMMONS. That is practically the same rate as provided in the present law.

The next amendment was, on page 138, line 20, after the word "for," to strike out the figures "28" and to insert "40," so as to make the paragraph read:

PAR. 1019. All woven articles, finished or unfinished, and all manufactures of vegetable fiber other than cotton, or of which such fibers or any of them is the component material of chief value, not specially provided for, 40 per cent ad valorem.

Mr. ROBINSON. That is the same rate as on the cotton?

Mr. SMOOT. It is just the same.

Mr. SIMMONS. Mr. President, I think the present rate is 35 per cent. I understand the Senator from Utah asks for 40 per cent.

Mr. SMOOT. That is correct.

Mr. SIMMONS. Because you have slightly increased some of the other rates above the rates in the present law?

Mr. SMOOT. Yes.

Mr. SIMMONS. The rate under the present law in this catch-all clause is 35 per cent. Now you are raising it to 40 per cent, because you have raised the rate on some of the yarns above the rates in the present law.

Mr. SMOOT. Yes; we could not do otherwise.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

Mr. SMITH. May I call the attention of the Senator from Arkansas to paragraph 1017a, covering bagging. There is a specific duty provided for there.

Mr. SMOOT. That has been passed over.

Mr. SMITH. I know; but if this other paragraph is voted upon, covering woven articles, it will be affected, because it is a woven article.

Mr. SMOOT. Where it is not specifically provided for.

Mr. ROBINSON. Cotton bagging is specifically provided for.

Mr. SMITH. I did not notice that language.

Mr. ROBINSON. That paragraph has been passed over until Monday.

Mr. SMOOT. This is the catch-all paragraph.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as modified.

The amendment as modified was agreed to.

Mr. SMOOT. On line 24, after the word "yard," I move to insert "carpets and carpeting, mats and matting, and rugs made wholly of cotton, flax, hemp, or jute, or mixtures thereof, 35 per cent ad valorem."

I will say to the Senator that the reason for offering this amendment is this: Most cotton rugs are made of cotton strips, and we do not want to impose a higher duty on those rugs than is paid upon the yarns and upon the cloth itself. The language "floor covering" would take in everything—cotton and hemp and everything else. That rate is too high. Therefore we offer this amendment, that it shall be only 35 per cent where carpets and carpeting, mats and matting, and rugs are made wholly of cotton, flax, hemp, or jute, or mixtures thereof.

Mr. ROBINSON. If that is agreed to, does the Senator expect to let the "not specifically provided for" articles remain with a rate of 60 per cent?

Mr. SMOOT. Then I will ask that the balance of the paragraph may go over.

Mr. ROBINSON. I have no objection to that.

Mr. SMOOT. The balance of the paragraph may go over, and also the next paragraph, covering mats of cocoa fiber or rattan.

Mr. ROBINSON. I have no objection to that paragraph going over.

Mr. SMOOT. I offer the amendment.

Mr. SIMMONS. In the present law there is a segregation. In this amendment you combine mats made of all sorts of material, including cotton. Does the Senator think that is quite scientific? For instance, the present law provides:

Carpets, carpeting, mats, and rugs made of flax, hemp, jute, or other vegetable fiber, except cotton, 30 per cent ad valorem.

\* \* \* Chenille carpets, figured or plain, and all carpets or carpeting of like character or description, 35 per cent ad valorem.

Carpets and carpeting of \* \* \* cotton, or composed in part of either of them—wool or cotton—not specifically provided for in this section, and on mats, matting, and rugs of cotton, 20 per cent ad valorem.

You have three rates there—20 per cent, 35 per cent, and 30 per cent. The Senator combines them all and puts them all at 35 per cent. I am asking my questions for information. Does the Senator think that is quite scientific?

Mr. SMOOT. I think so.

Mr. SIMMONS. Why does the Senator think that rugs made of cotton should be under as high a duty as mats made of hemp, jute, or flax?

Mr. SMOOT. There could be a cotton rug, and more than likely would be, made from long-staple cotton.

Mr. SIMMONS. Does the Senator think those rugs or carpets are made of long-staple cotton?

Mr. SMOOT. They have not been in the past, and I do not know whether they will be in the future.

Mr. ROBINSON. There are practically none imported now under the present rate of 20 per cent.

Mr. SMOOT. I do not think there will be any imported. In fact, I do not think there is any necessity of importing them.

Mr. SIMMONS. Why should you put as high a rate on cotton mats and rugs as you do on these rugs, which have to be imported, because we do not make the jute here and do not make the hemp and the flax here?

Mr. SMOOT. If any come in, they can pay the 35 per cent. Any that come in will be some special kind.

Mr. SIMMONS. Then it is not scientific.

Mr. SMOOT. Yes; it is. We might just as well have the 35 per cent if any of these come in.

Mr. ROBINSON. If the Senator will furnish me with a copy of his amendment, which I have been unable to obtain, I think we can effectuate the thought of the Senator from North Carolina by proposing an amendment.

I propose to amend the amendment of the Senator from Utah by inserting after the word "cotton" the words "20 per cent," so as to distinguish between the rate on rugs made of cotton

and those made of other materials embraced in the paragraph—flax, hemp, jute, and mixtures thereof.

Mr. SMOOT. There is just as much reason for putting the duty on jute as for putting it on cotton. They come from Japan, and if a cotton rug of any kind is brought in from Japan, it will be because there is some kind of a figure on it, or something like that. They do not come in in any quantity. The imports do not amount to anything. Why not leave the rate on them all at 35 per cent?

Mr. ROBINSON. To that I reply, why make the rate on all 35 per cent, if there are no importations now?

Mr. SMOOT. If there are no importations, it will not make any difference. If there should be, it would only be where some person was traveling in Japan and saw a cotton rug of some kind which he thought would suit his bathroom better than the one he had, and he would bring it over here.

Mr. ROBINSON. If he would pay the rate of 20 per cent, does not the Senator think he ought to be permitted to bring them in?

Mr. SMOOT. No; I do not think it would hurt him at all to pay the higher rate.

Mr. SIMMONS. Mr. President, here is the situation: We are manufacturing some cotton rugs in this country to-day.

Mr. SMOOT. Lots of rag rugs.

Mr. SIMMONS. The people of the country are getting them at a certain price. If we put on a duty of 30 per cent instead of 20 per cent I am very much afraid that the men who are manufacturing cotton mats and carpets in the country would merely increase their prices to that extent. They would say, "Under the 20 per cent rate we have immunity against Japanese competition. That rate keeps out the Japanese mats, increase it to 30 per cent and we can increase the price of our cotton mats 10 per cent more and still keep out the Japanese cotton mats and carpets." I am afraid that this would mean a great deal to the American people. The Senator said it would mean nothing because nothing comes in. I am afraid it would mean a great deal. I am afraid that none will come in afterwards, but those produced here will go up to the extent of 33½ per cent.

The PRESIDING OFFICER. Does the Senator from Utah ask that the paragraph go over?

Mr. SMOOT. After the amendment is agreed to.

Mr. ROBINSON. We are not sure that it is going to be agreed to.

Mr. SMOOT. I do not know, of course, that it will be agreed to.

Mr. ROBINSON. Mr. President, in addition to the suggestion made by the Senator from North Carolina we ought not to pursue a course that may place a heavy burden upon this class of commodities. They include the cheapest carpeting made, and it ought to be kept available for those who find it necessary to buy carpets at low prices. The only possible effect of increasing the duty will be to enable the home manufacturer to raise the price of his product. I entreat my friend from Utah to tell the Senate why he insists upon doing what he admits to be an unscientific and unnecessary thing.

Mr. SMOOT. If the rate to-day were prohibitive, there is no reason why the 35 per cent rate should be prohibitive. If such novelties come in, let them pay the rate.

Mr. ROBINSON. Mr. President, I shall ask for the yeas and nays on the amendment reducing the committee rate on cotton from 35 to 30 per cent.

Mr. SMOOT. I will ask the Senator to withdraw the request and we will let the amendment go over.

Mr. ROBINSON. Very well.

The PRESIDING OFFICER. The amendment will be passed over as requested.

Mr. McCUMBER. Mr. President, I ask unanimous consent that when the Senate closes its session on this calendar day it recess until to-morrow at 11 o'clock a. m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MERGER OF STEEL COMPANIES (S. DOC. NO. 236).

The PRESIDING OFFICER (Mr. STERLING in the chair) laid before the Senate a communication from the Attorney General of the United States, transmitting in response to Senate Resolution 286, agreed to May 12, 1922, information relative to the proposed merger of certain steel companies, which was ordered to lie on the table and to be printed.

#### THE COAL SITUATION.

Mr. KING. Mr. President, I introduce a joint resolution relating to the present coal strike, which I ask to have printed in the Record and lie upon the table until to-morrow.

The joint resolution (S. J. Res. 230) authorizing the President to appoint a commission to investigate the existing con-

troversy between the coal miners and operators, and for other purposes, was read twice by its title and ordered to be printed in the Record, as follows:

*Resolved, etc.*, That the President, by and with the advice and consent of the Senate, is hereby authorized to appoint a commission consisting of five persons, who, upon their appointment and qualification, shall proceed to investigate the existing controversy between miners and mine operators in the coal-mining industry as to proper wages to be paid for the work of mining coal and any other cognate questions which are involved in said controversy.

The commission shall summon to appear before it accredited representatives of both the coal miners and the mine operators, and shall receive their statements as to the matters and points in controversy, and shall then proceed to examine the merits of the contentions made by the respective parties, and shall investigate and determine any questions of fact which are material or necessary to a determination of said controversy; and said commission shall thereupon make findings as to the material and controlling facts in controversy, and upon said findings shall make recommendations as to the wages it considers proper and equitable to be paid for the work of mining coal in the different fields or regions of coal production in the United States, and for the settlement of any other cognate question in controversy, and shall report such findings and recommendations to the President who, if he approve the same, shall issue his proclamation accordingly and make official publication of such findings and recommendations.

Said commission shall have power to administer oaths, to subpoena witnesses, and send for records, documents, and papers, to submit interrogatories to any person or corporation, and require such interrogatories to be answered in writing and under oath, to employ professional and clerical assistance, and to purchase such supplies as are necessary for the conduct of such investigation.

There is hereby appropriated out of any moneys in the Treasury not otherwise appropriated the sum of \$100,000, or so much thereof as may be necessary, to defray the expenses of said commission.

The PRESIDING OFFICER. The joint resolution will lie on the table.

#### RATES OF DUTY ON RAW WOOL.

Mr. GOODING. I ask unanimous consent to submit a resolution and ask that it be read. I am not asking for the consideration of the resolution at this time, of course. I merely ask that it be read.

The resolution (S. Res. 322) was read, as follows:

Whereas it has been charged that the proposed rates of duty on raw wool will necessarily result in a great enhancement in the prices paid by the consumers, and that the 33-cent duty on raw wool will increase the retail price of a suit of clothes about \$4 and of an overcoat about \$7: Therefore be it

*Resolved*, That a committee composed of five Senators appointed by the President of the Senate, three from the majority and two from the minority, is hereby authorized and directed to investigate the probable effects of the proposed rates of duty upon wool and the manufactures of wool in Schedule 11 of the pending tariff bill (H. R. 7456), and to hold public hearings, as soon as possible and at such times and places as it deems advisable, in order to determine the accuracy of such charges, and report to the Senate their findings. Such committee is authorized to send for persons and papers, to administer oaths, and to employ stenographers to report such hearings, at a cost not exceeding \$125 per printed page, the expense of such investigation to be paid from the contingent fund of the Senate.

The PRESIDING OFFICER. The resolution will be referred to the Committee to Audit and Control the Contingent Fund of the Senate.

#### DESECRATION OF PAINTINGS IN CAPITOL.

Mr. KING. Mr. President, some time ago I communicated with the Senator from Kansas [Mr. CURTIS] with regard to what I considered to be a desecration of some of the paintings in the Capitol. Some resolutions have been adopted by the Massachusetts State Society of Master House Painters and Decorators relating to what they denominated vandalism in the Capitol. I ask that the resolutions be printed in the Record, together with an article by William E. Brigham, which is descriptive of the beautiful paintings in the corridors below and which condemns the vandalism which has characterized the treatment of some of the beautiful panels in the lower corridors of the Capitol.

There being no objection, the matter, resolutions, and the article were ordered to be printed in the Record, as follows:

#### SOCIETY OF MASTER HOUSE PAINTERS AND DECORATORS OF MASSACHUSETTS, OFFICE OF SECRETARY, Boston, Mass.

Resolutions adopted May 23, 1922, by the Massachusetts State Society Executive Board in regular meeting assembled:

"Whereas it having come to our knowledge, through the public press, that the decorations of the Senate corridor of the National Capitol are being seriously damaged by the cutting of doors and windows through the panels, and that this action unchecked will lead to their ultimate destruction; and

"Whereas these and other decorations of the Capitol constitute the largest and finest example in the United States of the decorative art of the period in which they were executed, and are important to the art education and historical interest of the public and most especially to the student and worker in the art of mural and ornamental decoration.

*Resolved*, That the Society of Master House Painters and Decorators of Massachusetts hereby expresses the desire that the future policy be established at the Capitol that no further damage be allowed, but that the decorations shall always be preserved with care for the public benefit and for the study of future craftsmen in decoration; be it further

*Resolved*, That a copy of these resolutions be sent to the Congressmen and Senators of our State and to the Commissioners of the District of Columbia and to our members of other State societies, and that it be brought to the attention of the trade magazines."

[From the Boston Transcript, April 22, 1922.]

**DESECRATING THE CAPITOL—SENATORS SPOILING BRUMIDI DECORATIONS—MUCH DAMAGE DONE THAT IS UNAVOIDABLE, BUT SOME ALSO THAT SHOULD BE PREVENTED—WATER LEAKS THROUGH AND IGNORANT CLEANERS SCRUB WITH SOAP AND SAND, BUT IT REMAINS FOR MEMBERS OF CONGRESS TO CUT OUT WHOLE PANELS TO MAKE DOORS FOR THEIR CONVENIENCE—A STORY OF THE ROMANTIC BRACELET OF CARLOTTA TO WHICH A THEATRICAL PRESS AGENT IS WELCOME.**

(By William E. Brigham, regular correspondence of the Transcript.)

WASHINGTON, April 28.—Does the Capitol of the United States, with all its beauties, belong to the people or to the Members of Congress who happen temporarily to occupy it? May it be desecrated at will by the politicians whom it houses or should they be taught to respect it as a temple of the arts? These questions are prompted by an instance of authorized vandalism which, while unfortunately not without precedent, nevertheless represents one of the most flagrant abuses of brief authority that has recently been forced upon public attention. One of the glories of the Capitol, which distinguishes it from every other public building in the country, is the decorative scheme of the corridors on the ground floor of the Senate wing. This was executed under the superintendence of Constantino Brumidi, the great Italian artist, some of whose best work is seen in the Vatican at Rome and whose paintings in the Capitol represent the first frescoes done in America. Every inch of the walls and ceilings of the Senate corridors on the ground floor is occupied with exquisite paintings, including almost every form of expression from the quiet landscape to myriad forms of animal, fruit, flower, and medallion. Brumidi was assisted by a corps of artists, each especially selected for his task. Brumidi painted all the figures, heads, and groups; another did scroll work only; still another devoted himself to animals; another to birds, and so on. Some bits in oil, notably all the birds and insects, are attributed to Leslie, an American painter. Nothing was done, however, without the approval of Brumidi, and all the designs, in drawing as well as color, were of his making. The whole presents a series of pictures which are in themselves an education and are studied by artists, for inspiration, from all over the world.

#### DESECRATING BRUMIDI.

These exquisite works naturally have suffered from one cause or another in the course of time. Water has leaked through and damaged them in some places, they have been scrubbed with soap and sand by ignorant cleaners, and they bear the marks of many a senatorial match. For several years Charles Ayer Whipple, the artist of New York and Boston, has been engaged in a painstaking effort to restore the beauties of the paintings and to bring out again the wondrous lines and colorings of the originals, and he is succeeding admirably, although the process is extremely slow. But this beneficent work might well be abandoned if the Senate is to show no more respect for the art treasures of Brumidi than has distinguished it in the recent past. In the particular spot most recently desecrated the first offender was a Democratic Senator from Maryland, who occupied as an office the two rooms on the north of the main corridor running to the elevator on the west side, used chiefly by Senators and the press. He desired a little more convenience, so a door was cut through from one of the rooms, completely obliterating a Brumidi panel and seriously marring the wall effect.

#### SENATOR CUTS THROUGH BRUMIDI PANEL.

It would seem as if such a violation of the building would have brought protests that would warn statesmen of the future against further destruction. Not so. \* \* \* Appeal was made to the Committee on Rules, and to the amazement of all the habitués of that end of the Capitol workmen this week cut a hole through the 30-inch brick wall opening from one of the Senator's rooms into the side of the corridor which terminates at the north window. This act of vandalism, of course, destroyed another panel. The Brumidi scheme contemplates, wherever possible, that every important panel shall be balanced by its counterpart on the other side of the corridor. In the present case the surviving panel contains a fine head of Charles Carroll of Carrollton; the centerpiece of the panel which the door will replace was an exquisite fruit group, but the designs of the two panels, except for the center, were identical.

#### ALSO CUTS OFF LIGHT AND HEAT.

To the naked eye it would appear useless to cut a door into a corridor from a room which already had an exit around the corner. The door, however, serves only half the purpose of the Senator, which is to provide himself with an additional office, and this he intends to do by running a partition some 10 feet high across the end of the corridor, thus almost completely shutting out the light from the north window. The only serious criticism ever directed against the Brumidi scheme of decoration upon this floor has been that the light has been insufficient to display to advantage the beautiful creations of the artists.

The southern of the two corridors receives no light at all from outside, nor does the more northerly one, also running east and west, receive any, except indirect light. The little corridor which the Senator is converting into a private office is the best lighted of all. Moreover, this little end corridor presents a unified scheme of decoration of the ceiling, which the partition will rudely interrupt. Twelve months of the year, six on each side, are depicted with the 12 signs of the zodiac; a little above these on either side is a charming landscape, while the scheme is carried to the apex with a design in colors which are peculiarly rich. This ceiling, unfortunately, because of leakage from above, is badly in need of retouching, but in time it would have been done over by the artist now employed on the work and would present a scheme of beauty not duplicated elsewhere. Incidentally, the Senator's partition comes south of the register, and will cut off the heat from that section of the corridors.

#### PAINTINGS SHOULD BE PROTECTED.

The two acts of vandalism here alluded to represent only a fraction of the desecration to which the Capitol has been subjected. In the same corridors and elsewhere doors have been cut through, without the slightest regard to the art works that might suffer or the architectural scheme of the walls. It has been found difficult, if not impossible, to protect the Brumidi paintings against the natural ravages of time and wear, but it should not be impossible to protect them against the careless indifference to their beauty of United States Senators.

#### EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent

in executive session the doors were reopened, and (at 6 o'clock and 10 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Saturday, July 22, 1922, at 11 o'clock a. m.

#### NOMINATIONS.

*Executive nominations received by the Senate July 21 (legislative day of April 20), 1922.*

#### COLLECTOR OF CUSTOMS.

Samuel H. Thompson, of Wilkinsburg, Pa., to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa., in place of George H. Rowley, whose term of office expired May 26, 1922.

#### RECEIVER OF PUBLIC MONEYS.

Charles Henry Lutz, of New Mexico, to be receiver of public moneys at Roswell, N. Mex., vice William G. Cowan, resigned.

#### PROMOTION IN THE REGULAR ARMY.

##### CHAPLAIN.

Chaplain Robb White, jr., to be chaplain with the rank of captain from July 15, 1922.

#### PROMOTIONS IN THE NAVY.

Lieut. Commander Matthias E. Manly to be a commander in the Navy from the 31st day of December, 1921.

Lieut. Harry H. Forgas to be a lieutenant commander in the Navy from the 1st day of January, 1921.

Lieut. Jay K. Esler to be a lieutenant commander in the Navy from the 1st day of February, 1922.

Lieut. Glenn B. Strickland to be a lieutenant commander in the Navy from the 28th day of March, 1922.

Lieut. Donald C. Godwin to be a lieutenant commander in the Navy from the 3d day of June, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of July, 1920:

Julius C. Delpino.

Edward Sparrow.

John N. Walton.

Ensign Edward Sparrow to be a lieutenant (junior grade) in the Navy from the 30th day of March, 1920.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of July, 1920:

Matthias B. Gardner.

Richard B. Tuggle.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 7th day of June, 1922:

Van Fitch Rathbun.

Richard H. Cruzen.

Charles B. McVay, 3d.

Rene F. A. Bucholz.

Herbert C. Rust.

Passed Asst. Surg. John Buckley to be a surgeon in the Navy with the rank of lieutenant commander from the 3d day of June, 1921.

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy with the rank of lieutenant from the 1st day of July, 1920:

Eric G. Hoylman.

Joseph A. Kelly.

The following-named passed assistant paymasters to be paymasters in the Navy with the rank of lieutenant commander from the 21st day of October, 1921:

Ernest H. Barber.

Oscar W. Leidel.

Herman G. Bowerfind.

John J. Gaffney.

Richard S. Robertson.

Boatswain Edwin W. Hill to be a chief boatswain in the Navy, to rank with but after ensign, from the 19th day of February, 1918.

Boatswain William A. James to be a chief boatswain in the Navy, to rank with but after ensign, from the 11th day of January, 1919.

The following-named boatswains to be chief boatswains in the Navy, to rank with but after ensign from the 16th day of January, 1920:

John A. Pierce.

William R. McFarlane.

James Roberts.

Boatswain Eugene J. Friehe to be a chief boatswain in the Navy, to rank with but after ensign from the 6th day of February, 1921.

The following-named boatswains to be chief boatswains in the Navy, to rank with but after ensign from the 16th day of December, 1921:

Junius G. Sanders.

Charles A. Dannenmann.

Andrew N. Anderson.

The following-named boatswains to be chief boatswains in the Navy, to rank with but after ensign from the 27th day of March, 1922:

Thomas M. Buck.  
William Martin.

Gunner Charles A. Kohls to be a chief gunner in the Navy, to rank with but after ensign from the 3d day of December, 1921.

The following-named gunners to be chief gunners in the Navy, to rank with but after ensign from the 16th day of December, 1921:

Daniel McCallum.  
Robert Semple.

Gunner Jesse J. Alexander to be a chief gunner in the Navy, to rank with but after ensign from the 7th day of March, 1922.

Machinist Cyrus S. Hansel to be a chief machinist in the Navy, to rank with but after ensign from the 17th day of January, 1918.

Machinist Ernest J. Leonard to be a chief machinist in the Navy, to rank with but after ensign from the 28th day of December, 1920.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign from the 30th day of November, 1921:

Alfred E. Raue.  
Albert H. Mellien.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 21 (legislative day of April 20), 1922.*

##### COLLECTOR OF CUSTOMS.

John A. Royses to be collector of customs, district No. 40, Indianapolis, Ind.

##### REGISTERS OF THE LAND OFFICE.

Robert E. Patterson to be register of land office, Duluth, Minn.  
Claude C. Turner to be register of land office, Dickinson, N. Dak.

##### POSTMASTERS.

###### CONNECTICUT.

Carleton W. Tyler, Southbury.

###### NEW JERSEY.

John A. Campbell, Highwood.

###### NEW YORK.

John C. Banschbach, Hicksville.

###### NORTH CAROLINA.

Robert L. Strowd, Chapel Hill.

Oscar R. Simpson, Duke.

Clarence C. Rowe, Spray.

###### PENNSYLVANIA.

Benard Peters, Brackenridge.

William E. Reed, Duquesne.

Edward R. Dissinger, Mount Gretna.

Frederick C. Patten, Narberth.

William S. Tomlinson, Newtown.

###### TEXAS.

Wallace C. Wilson, McKinney.

Sallie P. Lunday, Naples.

Robert E. Johnson, Pecos.

Lotta E. Turney, Smithville.

Mary Lovely, Weslaco.

#### SENATE.

SATURDAY, July 22, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

##### THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. McCUMBER. Mr. President, I think before we open up the discussion of the woolen schedule we had better have a quorum. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Harreld	McLean	Smoot
Borah	Heflin	McNary	Spencer
Brandeggee	Jones, N. Mex.	Moses	Stanfield
Broussard	Jones, Wash.	Nelson	Trammell
Cameron	Kellogg	New	Underwood
Capper	Kendrick	Nicholson	Wadsworth
Cummins	Keyes	Norbeck	Walsh, Mass.
Curtis	Ladd	Overman	Walsh, Mont.
Dial	Lenroot	Phipps	Warren
Fernald	Lodge	Rawson	Watson, Ind.
Frelinghuysen	McCumber	Sheppard	Willis
Gooding	McKinley	Smith	

The VICE PRESIDENT. Forty-seven Senators have answered to their names. A quorum is not present.

Mr. McCUMBER. I move that the Sergeant at Arms be directed to procure the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

Mr. POMERENE, Mr. STERLING, and Mr. SWANSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty Senators have answered to their names. A quorum is present.

Mr. McCUMBER. I ask unanimous consent that when the Senate closes its session on this calendar day it take a recess until Monday next at 11 o'clock a. m.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCUMBER. I now ask that the Senate proceed to the consideration of the wool schedule, and I desire the attention of Senators for just a few minutes.

Mr. SMITH. I had intended to ask that I might be permitted to read a short editorial which appears in one of the newspapers of South Carolina pertaining to the cotton industry, which is so closely allied to the wool industry, but if I can obtain the floor after the Senator from North Dakota shall have concluded his introductory remarks on the wool schedule I shall then read the editorial in question.

Mr. McCUMBER. Mr. President, in the act of 1909 we imposed a duty of 11 cents per pound on imported wool in the grease. The purpose of that law was to give to the producer of wool in the United States a protection of 11 cents per pound. It was assumed in giving that protection that there would be a loss of about 66½ per cent between the wool in the grease and the scoured content, including other losses. Therefore we gave to the manufacturer of woolen products a differential equivalent to 33 cents per pound upon the scoured content, or three times the amount accorded to the producer of wool in the grease.

The actual working out of that law was this: The importers did not import wool that lost 66½ per cent in scouring, but, on the contrary, as they imported the article the wool off the belly, the legs, the neck, and so forth, of the sheep had been skirted away, so that the allowance for scouring loss was entirely disproportionate. So, while we gave the manufacturer a compensatory duty equivalent to 33 cents per pound of the scoured wool, he actually in the importing had to pay only about 18 cents, and had the advantage of the difference between 18 cents and 33 cents. The farmer and the producer of wool, instead of getting an advantage or a protection of 11 cents, according to the Tariff Commission report, secured an advantage, I think, of 7.6 cents per pound.

In remodeling the tariff law, in the pending bill we have taken extra precaution to guarantee that the producer of wool shall have the equivalent of 33 cents upon the scoured content. Therefore we have provided for a duty equivalent to 33 cents upon the scoured content as it enters the ports. However, instead of using the exact term of 33 cents it was thought best by a majority of the committee to make a large number of brackets, which would allow for a difference of opinion between the importer and the appraiser. Therefore we divided the schedule into brackets which would practically be in each instance the equivalent of 33 cents. As one of the committee, I am impressed, however, that it would have been better to have simply declared for a 33 cents per pound duty upon the scoured content; but the majority of the committee decided otherwise. I think there is very little difference in the matter, at any rate, and it is only a question of administration.

Mr. President, we have allowed in the compensatory duty to the manufacturer the full equivalent of 33 cents per pound upon the scoured content, and have also made allowance for losses, so that the manufacturer will secure the same differential protection that he secured in the law of 1909; but he will not be allowed to take advantage of a difference which he obtained in importing goods with a very low loss. Therefore the farmer will secure the benefit of the full rate.

Mr. President, there is one exception to this rule, and that is in the skirted wools that are used for carpet purposes. Under the old law we ascertained that, while the carpet wools